

2018-19 ANNUAL BUDGET



TOWN of
WAKE FOREST

FISCAL YEAR ENDING JUNE 30, 2019



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Wake Forest
North Carolina**

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

*TOWN OF WAKE FOREST
BOARD OF COMMISSIONERS*



Mayor
Vivian A. Jones



Commissioner
Greg Harrington



Commissioner
Brian Pate



Commissioner
Anne M. Reeve



Commissioner
Liz Simpers



Commissioner
Bridget Wall-Lennon

TOWN OF WAKE FOREST STAFF

Kipling D. Padgett
Town Manager

Candace Davis
Assistant to the Town Manager

Eric Vernon
Town Attorney

Virginia Jones
Human Resources Director

Deeda Harris
Town Clerk

Aileen J. Staples
Chief Financial Officer

Jeff Leonard
Police Chief

Roger A. Russell
Community Development Director

Ruben Wall
Parks Recreation Director

Eric Keravuori
Engineering Director

Magda Holloway
Public Works Director

Tom LaBarge
Chief Information Officer

Bill Crabtree
Communications and Public Affairs Director

J J Carr
Inspections Director

Mickey Rochelle
Public Facilities Director

Lisa Hayes
Downtown Development Director

Jason Cannon
Economic Development Director

Cathy Gouge
Renaissance Centre Manager

ADVISORY BOARDS AND COMMISSIONS

Planning and Zoning Board
Ed Gary, Chairperson

Board of Adjustment
Will Hedrick, Chairperson

Cemetery Advisory Board
Alan O'Shaughnessy, Chairperson

Public Art Commission
John Pelosi, Chairperson

Cultural Resources Advisory Board
Teele Anderson, Chairperson

Recreation Advisory Board
Shinica Thomas, Chairperson

Design Review Board
Paul Eitel, Chairperson

Senior Center Advisory Board
Jetske Insinger, Chairperson

Greenway Advisory Board
Deanna Welker, Chairperson

Technical Advisory Board
Zee Khan, Chairperson

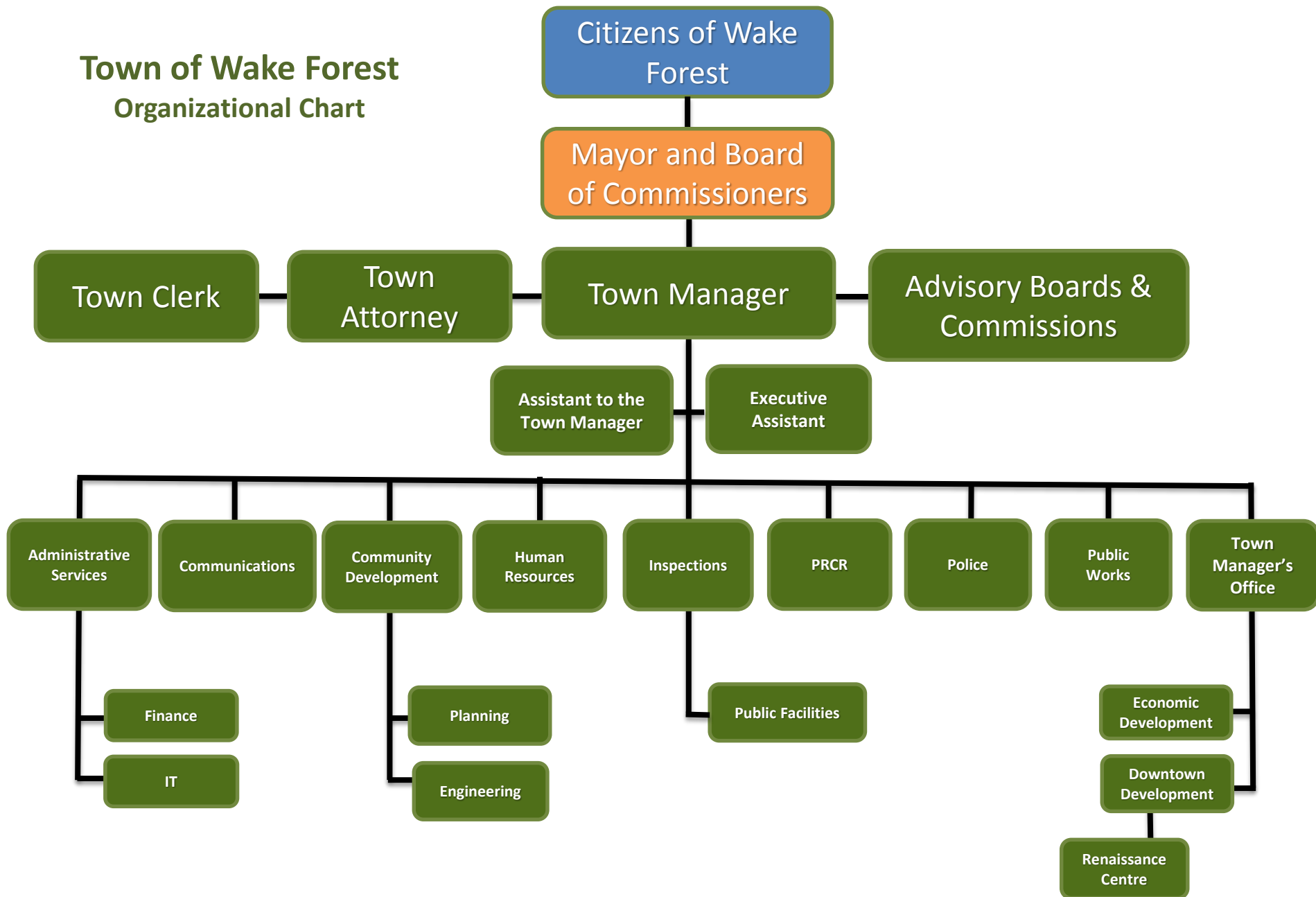
Historic Preservation Commission
Ellen Turco, Chairperson

Urban Forestry Advisory Board
Mindy Hidenfelter, Chairperson

Human Relations Council
Robin Smith, Chairperson

Youth In Government
Yara Mahmoud, Chairperson

Town of Wake Forest Organizational Chart



TOWN *of* WAKE FOREST

STRATEGIC PLAN



Updated by the Wake Forest Board of Commissioners ▲ AUGUST 2017

As we look to the future, Wake Forest must plan for how it will continue providing services in a manner that efficiently meets the needs of our growing and ever-changing community.

The Wake Forest Strategic Plan charts our course for the next five years towards providing an excellent and sustainable quality of life for our citizens.





As employees of the Town of Wake Forest, we are committed to being C.I.V.I.C. leaders.

C.I.V.I.C.

Community

Provide a high level of trust between our community and on another. By accepting accountability, conducting ourselves responsibly and demonstrating loyalty, we preserve an environment that supports sincerity, honesty, and ethical behavior.

Innovation

We recognize that every employee can improve themselves professionally. While it is important to remember the past, we should accept and understand a changing work environment as the town continues to grow. Professionalism begins with dedication to the empowerment of competent well trained employees. Our work environment encourages innovative ideas and solutions, growth of self-esteem, and pride in our work and accomplishments. Our demonstrated integrity provides positive role models for our community.

Valued Employees

Each employee has a valuable contribution to the town. Creating a quality work environment is important for all employees. By providing the support and treating our fellow employees and citizens with respect which we, in turn, expect; by showing consideration for one another's time, priorities, work responsibilities, and individual contributions to the Town of Wake Forest, we strive to ensure an attractive and effective work environment.

Importance of Core Values

Staff's dedication to the town's core values of caring, commitment, integrity and innovation fosters a collaborative organizational culture that promotes teamwork and celebrates the achievement of common goals. While always respecting the value of each individual or departmental goal, we recognize the importance of the common good of our community and organization. With flexibility, support, competent leadership, fairness and respect for cultural and social diversity, we cooperate in an atmosphere of interdependence, all the while acknowledging that success can only be achieved through the collaboration of all employees, at all levels.

Communication

Effective communication can be achieved through listening and understanding. We recognize that this is the cornerstone of a progressive and successful organization. By maintaining and projecting an approachable, open-minded attitude and respecting appropriate confidentiality, we ensure open, two-way communication.

We embrace the town's core values of **CARING, COMMITMENT, INTEGRITY** and **INNOVATION**.

Goal 1: Economic Development	
	STRATEGIES
OBJECTIVE A: Retain and foster businesses that create a diverse mixture of jobs	1) Partner with various organizations to develop an entrepreneur program – <i>Economic Development (2017)</i> 2) Develop a public/private partnership to develop a technology park – <i>Economic Development (2018)</i>
OBJECTIVE B: Promote business in the Renaissance Area	STRATEGIES
	1) Install a parklet on White Street – <i>Downtown Development (2018 - 2019)</i>
	2) Convert Owen Avenue to a shared festival street- <i>Downtown Development- (2017-2018)</i>
	3) Light the railroad bridge and create an iconic & memorable gateway to Downtown - <i>Public Works (2019)</i>
	4) Close part of Wait Avenue and consolidate the block- <i>Community Development (2018)</i>
	5) Implement a parking management program- <i>Downtown Development/ Police Department (Ongoing)</i>
	6) Plan an interactive water feature- <i>PRCR (2020)</i>
	7) Construct the Smith Creek greenway through downtown- <i>Community Development (2025)</i>
	8) Build a playground- <i>PRCR (2019)</i>
	9) Improve Front Street intersection for pedestrians- <i>Downtown Development (2019-2020)</i>
	10) Enhance wayfinding and signage to direct visitors to and throughout downtown- <i>Downtown Development (2018-2019)</i>
OBJECTIVE C: Promote housing that meets the present and future workforce demands	STRATEGIES
	1) Develop partnerships with non-profits to identify areas for affordable housing – <i>Community Development (2018)</i>

Goal 2: Safe and Connected Community

OBJECTIVE A: Update & implement plans already in place (Greenway, Pedestrian, Community, Transportation, Parks & Recreation)	STRATEGIES
	1) Update Comprehensive Transportation Plan- <i>Community Development (2018)</i>
	2) Update Northeast Area Plan- <i>Community Development (2018)</i>
	3) Update Community Plan- <i>Community Development (2019)</i>
	4) Periodically report and acknowledge accomplishments from respective plans and ordinances - <i>(Ongoing)</i>
	5) Parks Recreation & Cultural Resources achieve Commission for Accreditation of Parks and Recreation Agencies (CAPRA) – <i>PRCR (2018)</i>
	6) Wake Forest Police Department achieve Commission on Accreditation for Law Enforcement Agencies (CALEA) – <i>PD (2017)</i>
	7) Downtown Development achieve National Main Street Accreditation – <i>Downtown Development (Ongoing)</i>
OBJECTIVE B: Identify locations where there are missing connections and develop plans when reasonable to remedy them.	STRATEGIES
	1) Review and evaluate identified areas in previous Plans and address annually for upcoming budget cycle - <i>Community Development and Public Works (Ongoing)</i>
OBJECTIVE C: Build citizen participation in the community	STRATEGIES
	1) Educate citizens on volunteer opportunities (expand 411 videos to include advisory boards/commission) - <i>Communications (Ongoing)</i>
	2) Create a virtual citizen academies- <i>Communications and Department Directors (Ongoing)</i>

	STRATEGIES
OBJECTIVE D: Enhance the sense of safety in the town	1) Continue to evaluate areas for LED lighting and convert all Wake Forest Power street lights to LED - <i>Public Works (2022)</i>
	2) Continue to introduce initiatives that strengthen citizens and business-police relations – <i>PD (Ongoing)</i>
	3) Develop survey to determine the sense of safety- <i>PD (2018)</i>
	4) Develop a plan to increase contact with businesses – <i>PD (Ongoing)</i>
	5) Continue to expand Community Watch program- <i>PD (Ongoing)</i>
OBJECTIVE E: Promote the use of technology to enhance and inform our community	STRATEGIES
	1) Encourage companies to provide fiber connect to the homes and connect all town facilities to fiber - <i>Administrative Services (Ongoing)</i>
	2) Incorporate the website dashboard to monitor and track performance management system – develop dashboard and quarterly reporting mechanism for results tracking.- <i>Administrative Services/Community Development (2019)</i>
	3) Promote all new infrastructure within the Town to install fiber during construction - <i>Administrative Services/Community Development (Ongoing)</i>

Goal 3: Organizational Culture that Embraces/Reflects Our Core Values

OBJECTIVE A: Maintain continuity of operations	STRATEGIES
	1) Provide for continuing professional development of staff - set defined mandates for career advancement or promotion that include requirements regarding experience, training, certifications, and education – <i>HR and Department Heads (Ongoing)</i>
	2) Develop a strategy for replacing staff for upcoming key retirements- <i>HR (Ongoing)</i>
OBJECTIVE B: Be an employer of choice through benefits and working environment	STRATEGIES
	1) Benchmark annually the benefits of other organizations – <i>HR (Annually)</i>
	2) Maintain a competitive market based compensation system that ensures Internal and external equity, recognizes performance and sustained contributions to the organization, and provides opportunities for growth- <i>HR (Annually)</i>
	3) Redesign internal survey to capture work environment- <i>HR (2017)</i>
	4) Develop a virtual training program for employees – <i>HR (2019)</i>

Goal 4: Fiscal Strength	
OBJECTIVE A: Maintain public trust in the sustainability of the Town's financial system	STRATEGIES
	1) Improve transparency on website- <i>Administrative Services- (Ongoing)</i>
	2) Apply for Popular Annual Financial Reporting Award (PAFR) for Citizen's Financial Report- <i>Administrative Services (2017)</i>
OBJECTIVE B: Maximize return on Town funds.	STRATEGIES
	1) Maintain or improve Town's bond rating - <i>Administrative Services (Ongoing)</i>
	2) Develop cash flow plan for Town and monitor forecast to improve investment strategy with rising interest rates to increase investment earnings- <i>Administrative Services (Ongoing)</i>
	3) Update debt issuance plan and update debt model accordingly- <i>Administrative Services (Ongoing)</i>
	4) Assessment of the next bond needs and prepare for 2019 referendum- <i>Administrative Services (Ongoing)</i>
	5) Update the Recreation Impact Fee- <i>Administrative Services/PRCR (2018)</i>
	6) Evaluate different OPEB (Other Post-Employment Benefits) strategies and determine funding solution – <i>Administrative Services (2018)</i>
	7) Evaluate feasibility of refinancing 2009 GO Bonds- <i>Administrative Services (2018)</i>
	8) Evaluate feasibility of town transitioning to self-insured for healthcare – <i>Administrative Services/HR (2020)</i>
	9) Conduct a technology assessment of existing internal technology infrastructure- <i>Administrative Services (2018)</i>



TOWN *of* WAKE FOREST

301 S. Brooks Street
Wake Forest, NC 27587
t 919.435.9400

www.wakeforestnc.gov

May 1, 2018

Honorable Vivian Jones, Mayor
Honorable Greg Harrington, Mayor Pro-tem
Honorable Brian Pate, Commissioner
Honorable Anne Reeve, Commissioner
Honorable Liz Simpers, Commissioner
Honorable Bridget Wall-Lennon, Commissioner

Mayor and Board of Commissioners:

Submitted for your consideration is the proposed budget for the Town of Wake Forest, North Carolina for the fiscal year beginning July 1, 2018. This budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act. The presented budget is balanced and identifies estimates for all revenues and expenditures for Fiscal Year (FY) 2019.

INTRODUCTION

This budget year has an emphasis on major capital projects. There has been strong importance placed on moving forward with projects that were approved as part of the 2014 bond referendum and/or is associated with grant funding. As a result, we are preparing to issue debt in excess of \$16 million. In addition, several strategic policy decisions have been made that has increased our debt capacity. A review of the latest CIP project tracker shows several infrastructure projects in the design phase. Some of these include: Downtown Streetscape Improvements, Richland Creek Stream Repair, Fiber Infrastructure and others. Reviewing the same document shows twelve (12) projects in the bid or construction phase. Some of these projects include: Stadium Drive Complete Streets, Holding Park Aquatic Center, Joyner Park Phase II, Street Maintenance project, Road Connections and many others.

Over the coming months, there will be a noticeable increase in the amount of roadwork being performed on local streets. Those projects coupled with the construction of the Senior Center, a new pool and the Joyner Park Community Center will provide residents with new amenities, smoother roads and quicker connections in some areas of Town. This will also challenge staff to ensure projects are completed on time and plan for the appropriate maintenance once completion has occurred.

As you recall, we moved to a system where we alternate public safety and general services position requests. During last year's budget process, the emphasis was placed on non-public safety positions. This year's focus has been on public safety in two distinct areas. First, to ensure continued and appropriate response times to citizen calls and to implement succession planning for the upcoming retirement of several officers at the rank of Lieutenant and above.

The strategic plan lays the foundation of how our budget should be shaped to address the needs of our community. In January 2017, the Board met and reaffirmed the goals of the strategic plan. Staff

updated the objectives and created a vision and mission statement approved by the Board in August of last year. Listed below are of the four goals of the strategic plan and a summary of how this budget addresses each:

- ***Economic Development*** – Staff continues to progress on the establishment of a live-WORK-play technology center. This type of project is a journey and requires a long-term vision and the patience to reach the objective. Progress is being made. Over the last 15 months, discussions have been held with various property owners and we have focused in on one property. After discussing several different partnering options with the property owner, the Town, the Wake Forest Business and Industry Partnership (WFBIP) and the property owner are now partnering on a land use plan. Upon completion of the plan, a visual and much clearer understanding of what is possible on this property will be produced. This will assist in confirming that everyone shares the same vision and will help in the marketability of the property. Funds continue to be added in the Economic Development Budget to aid staff in this critical endeavor.

Entrepreneurship is a new program in the early stages of development. There is a growing community of entrepreneurs within Wake Forest that is reflective of the triangle region's ability to attract the best technological minds. The Town and WFBIP have worked to foster an environment of connectivity, creativity and mentorship that focuses on the technology entrepreneurs within our community, especially the "spare-room" entrepreneurs. A cornerstone to this approach will be the establishment of incubator space to funnel regional start-ups and entrepreneurs to Wake Forest to expand their businesses. We are currently negotiating with property owners to enter into a public-private partnership for an incubator. Funding to promote events/speakers and to begin the partnership with existing providers to implement this new strategy have been included.

Due to the recent purchase of the SunTrust building, funds have been added to our debt service to provide for repayment of the loan. The acquisition of this property provides the town the ability to be strategic and deliberate in what type of development occurs on this property. During the Renaissance Plan update, this property was identified as one of the key pieces to the continued successful development of downtown. The downtown streetscape project coupled with the private development known as Power House Row will redefine South White Street for years to come. Many new businesses are poised to enter our downtown retail center in the coming year. Funding has been appropriated to assist downtown development staff in the facade improvements grant program and to continue our successful downtown event programming.

The Renaissance Centre for the Performing Arts is completing its renovations. The renovation, funded in part by Wake County, will allow the Centre to compete with other venues in our area. There is a demand for meeting space within our community and this will help to meet some of that demand. In addition, it will be much more than an event space. It will be a venue for cultural and artistic expression through plays, classes, music and other events that reach across the age spectrum of our community. Funding for this Centre is in accordance with past Board Policy

- ***Enhance a Safe and Connected Community*** –The update of our Transportation Plan has begun. This plan will combine all modes of our transportation network and provide us a new blueprint as we seek future funding for infrastructure improvements.

Our Parks and Community Development Departments contain items in their budgets that allow for connectivity and maintenance of our sidewalk system and greenways. Of particular note this year, is that we have allocated funding in debt service to pay for the street maintenance program and the road connections project. In order to adequately fund this program, it is recommended the vehicle registration fee be increased by \$10 per vehicle. This added revenue source has been discussed in past Board retreats as a way to offset the cost of our robust road maintenance program along with future transportation improvements.

Smith Creek Soccer Center has also been scheduled for much needed surface repairs. Like all our parks, the Soccer Center is used weekly by our citizens in both competitive and leisure play. Although there is a strong desire to replace the portable bathrooms with permanent structures, we should wait until revised flood plain maps are issued to ensure any permanent structures are out of the flood plain.

The budget recommends the establishment of a second traffic unit. An initial unit was funded in 2016 and we are seeing positive results from this unit. Overall traffic accidents have been reduced and more specifically reductions have been noted at intersections designated as hazardous due to accident frequency. An additional unit will allow seven days a week coverage by the traffic unit and also allow more attention to be focused on areas needing proactive traffic enforcement without pulling patrol officers from their patrol duties.

- ***Culture that reflects our values:*** The budget continues to allocate funds for merit increases. Our medical insurance will increase 9.5%. Although we will still continue to pay 100% of the employee's coverage, family and spousal coverage will increase. In an effort to control future increases in our health insurance premiums, the Board has authorized us to join the North Carolina Health Insurance Pool (NCHIP) effective July 1. This partnership of municipal and county governments will afford the Town the ability to move toward a self-funded model which will help in our design and implementation of benefits as we seek to control the cost of health care.

Staff is the most important asset we have. Many of them interact with the community daily and are ambassadors to the residents. The budget for each department allocates training to ensure our employees are up to date on the latest technology and professional trends to ensure we give our community what it expects and deserves...exemplary municipal services.

- ***Maintain Fiscal Strength:*** Alongside land use policy, our financial strength is key to a vibrant and growing community. It is important we remain financially sound, so that our residents and business owners feel confident in our ability to manage and use the resources they provide. A financially sound government ensures that we can fulfill basic municipal and quality of life needs for our residents. This budget maintains our policy regarding reserves/fund balances. No fund balance has been allocated for recurring operating costs.

In addition, we are still maintaining our capital reserve fund in anticipation of any project shortfalls. We continue to forecast our CIP projects and operating revenue out five years so that we can appropriately plan to maximize resources.

REVENUE SUMMARY

The recommended tax rate for the coming year remains at \$0.52. This is based on an estimated tax base of \$5,147,038,465 (Wake County) and \$106,486,250 (Franklin County) and a collection rate of 98.0%. The current year's revenue for the General Fund funded by the tax rate is \$26,771,960. The tax rate can be broken down into \$0.41 (\$0.085 of which is for debt service) for Town services and \$0.11 for contracted fire services.

The recommended tax rate for the Downtown Municipal Service District is \$0.14 per \$100 of assessed value. This remains unchanged from last year. The revenues from this service district aid in offsetting debt service for the South White streetscape project, facade improvements and other costs as they arise.

It is prudent fiscal policy to be conservative in our projections of those revenues that are affected by changes in the economy. These revenues include sales tax, interest income and building and inspection fee collections. To help meet revenue needs in the General Fund, \$1,591,145 of fund balance is appropriated. These funds are earmarked for one-time capital purchases. To continue to remain a financially strong and sustainable community, it is important to wisely use our fund balance, which includes not using it to supplement recurring operating costs. Our fund balance remains at the newly adopted policy level. A healthy fund balance is needed in case of emergencies and unexpected expenditures. This will also allow us to benefit from low interest rates when we borrow money.

As stated earlier, this budget recommends an increase to the vehicle registration fee of \$10 to offset debt payments for our transportation projects. Since our 2015 retreat, we have discussed increasing the vehicle registration fee as an avenue to help offset the cost associated with our road maintenance program, when it was implemented this year. While staff has been able to avoid the anticipated two cents tax increase that was associated with the 2014 bond referendum, an increase in the vehicle fee will provide resources for funding transportation debt.

EXPENDITURE SUMMARY

Personnel

Departmental requests this year totaled twenty (20) positions. The budget recommends the authorization of sixteen (16) full-time positions. Most of these positions are in the Police Department and are as follows: Four (4) corporals to split the town into districts for quicker response times; one (1) corporal to assist in officer training and recruitment; one (1) Sergeant and four (4) officers to comprise a second traffic unit; one (1) Lieutenant to oversee the two traffic units; one (1) Administrative Captain and two (2) administrative positions.

Non-public safety positions include a Zoning Enforcement Officer to assist in addressing violations of the Code of Ordinances and the UDO. Also included is a Marketing and Business Relations Associate to assist Town Departments as they continue to solicit sponsorships for our many events throughout town.

Over the past couple of years, we have tried to focus on providing appropriate staffing levels to a point where we can adequately meet service levels. After this year, staff believes we will be at a transition point where such large increases in staffing are not needed.

In past budget discussions, we have mentioned our OPEB and LEO obligations. OPEB, Other Post-Employment Benefits, is the obligation we have based on Town policy to provide life insurance and medical coverage for those employees who retire from the Town. This obligation is in excess of \$14 million. To be fiscally prudent and to prevent this number from rising, staff will be recommending that effective July 1, 2018, all **new** hires will not be provided with this benefit. We will be following other governments in the region who have taken this step. Our benefits package is still extremely competitive.

LEO, Law Enforcement Allowance, is mandated by state law and requires a local government to subsidize a retired law enforcement official's salary until the age of 62. Our current obligation is \$2 million.

While we have been paying these costs through pay-as-you-go, it is now prudent to set-up a Trust Fund with the State Treasurer's Office to begin setting funds aside to cover these future obligations. This step will assist us in meeting GASB requirements and maintaining our bond rating. The recommended budget will allow us to establish this trust fund.

Capital Outlay

Capital funding will increase in both the General Fund and in the Electric Fund. In the Electric Fund, system improvements and line construction are planned. Proceeds will also be used to purchase a 3-reel trailer and to replace a track hoe. In the General Fund, we are relying on installment financing, capital reserve funds and fund balance to fund needed capital items. The installment financing will be used to acquire most of the rolling stock listed in the Capital Improvements Plan. These include replacement police cars and vehicles for new positions. It is important to note that we want to keep this amount under the debt model as we settle in to the additional debt we are assuming. Capital reserve funds will be used for funding needs such as field renovations, roof replacements, sidewalk installation and storm water repairs. Also included are upgrades to the audio-visual equipment in the Board Chambers. Fund balance utilized this year focuses on one time/non-recurring capital items such as items requiring replacement and/or additional equipment for our Public Works crews, as well as Park Maintenance crews. The Board's policy of maintaining adequate fund balance and capital reserve funds affords us opportunities for flexibility in funding capital items. Minor capital items have also been funded where needed.

Debt Service

Debt service for this year is \$6.7 million, which is 15.4% of the General Fund expenditures. Debt service now has its own separate fund with a dedicated tax rate of \$0.085. All general fund debt is placed in this fund. This is a significant increase in the debt fund but is needed to cover the obligation from the 2014 bond referendum and other projects approved by the Board.

Fire Services/Other Agencies

Funding levels for the Wake Forest Fire Department are recommended to remain at current levels. A new cost sharing formula has been developed by Wake County, which increased the County share of funding for the Wake Forest Fire Department.

It is recommended the Fourth of July Committee, Resources for Seniors, the Birthplace Museum and Chamber of Commerce receive funding at the same levels as last year. However, based on recent publications by the School of Government and the League, we will be developing more formalized agreements with our funding partners.

While nonprofits provide a needed service to the community, it is often difficult to decide which ones to fund. When looking at funding it is important to review the mission of the non-profit and how that fits into the service of the Community and values set by the Board. This must be balanced with revenues available and the requirements of the Town to provide basic services to its citizens.

FUTURE NEEDS AND ISSUES

It is extremely important we look to the future and prepare now for the needs of the community and Town operations over the coming years.

- **Personnel** – As you are aware, there were many requests for personnel this year. As we continue to grow, so will the demand for services. Additional staff requests should be expected, and some will be required to meet increasing demand. However, I expect future budgets to request less personnel. As stated earlier in the memo, we have been trying to catch up the past two years.
- **Debt** – This year we will be issuing a large sum of debt. As an AAA rated government, we receive favorable terms on our debt. However, our recently presented debt model illustrated our future obligations and our limitations going forward after this round of issuances.
- **Legislative Action** – Because we are a creature of the State, action of the General Assembly could create unanticipated (and unfunded) mandates.

SUMMARY

This budget attempts to continue the objectives of our strategic plan. It also represents a fundamental philosophy of being conservative on our revenue projections and maintains fiscal constraint in our expenditures. This principle means that not every need can be fulfilled, but we will work effectively and decisively with the resources that are allocated.

The Town is undertaking many capital projects over the coming months that will have significant impact on our Town. These are all positive projects that improve our quality of life and continue to make us a desirable place to live. Whether a community is growing or not, there are always challenges. I believe this budget meets the challenges of this growing, vibrant community and sets the stage to make Wake Forest a greater place tomorrow than the great place it is today. It truly is where “innovation meets opportunity”.

I would like to thank our department directors for their hard work and dedication in preparing this year’s budget. Our Senior Budget Analyst, Ben Blevins, has been instrumental in the development of this budget, especially in the area of performance management. I want to specifically thank our Chief Financial Officer, Aileen Staples, as we navigate the budget process. Her financial principles and

expertise are key to keeping us financially stable. In closing, I would to thank each of you for your sound fiscal policy. Without this, Wake Forest would not be the great place it continues to be. Please let Aileen or I know if you have any questions or need additional information as we move through the budget process toward adoption in June.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be 'Kip' followed by a stylized surname, with a long horizontal line extending to the right.

Kipling D. "Kip" Padgett, ICMA-CM, CPM
Town Manager



TOWN *of*
WAKE FOREST

PROPOSED

ORDINANCE 2018-xx

BUDGET ORDINANCE OF THE TOWN OF WAKE FOREST NORTH CAROLINA FOR THE FISCAL YEAR 2018-2019

NOW, THEREFORE, BE IT ORDAINED by the Board of Commissioners of the Town of Wake Forest, North Carolina:

Section 1. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

Current year's Property Tax	\$26,771,960
Prior Year's Property Tax	49,000
Penalties and Interest on Property Taxes	45,000
Local Option Sales Taxes	8,074,850
Other Taxes	105,300
Utility Franchise Tax	2,710,000
Beer and Wine Tax	156,000
Permits and Fees	2,140,190
Recreation Revenues	534,725
Solid Waste Fees	150,000
ABC Revenues	182,500
Grant Revenues	75,680
Other Revenues	834,930
Interest on Investments	162,500
Installment Purchase Proceeds	788,500
Interfund Transfers	127,500
Fund Balance Appropriated	1,597,145
Total General Fund Estimated Revenues	\$ 44,505,780

Section 2. The following amounts are hereby appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019 in accordance with the chart of accounts heretofore established for this Town on June 19, 2018.

ORDINANCE 2018-xx

**BUDGET ORDINANCE OF THE TOWN OF WAKE FOREST,
NORTH CAROLINA FOR THE FISCAL YEAR 2018-2019**

Board of Commissioners	\$ 635,875
Administration Department	407,315
Economic Development Department	388,115
Communications Department	927,250
Human Resources Department	583,950
Downtown Development Department	333,395
Finance Department	1,316,490
Information Technology	1,048,085
Planning Department	1,352,540
Inspections Division	1,698,445
Public Facilities Department	1,737,385
Public Safety Department	17,035,755
Engineering Division	1,404,660
Public Works Administration	196,730
Street Division	2,503,485
Fleet Maintenance	425,300
Environmental Services	3,555,885
Parks and Recreation	3,593,885
Transfers – Other Funds	5,361,235
Total General Fund Appropriations	\$ 44,505,780

Section 3. It is estimated that the following revenues will be available in the Electric Fund for the fiscal year beginning July 1, 2018 and ending June 30, 2019:

Sale of Power	\$ 19,669,905
Interest on Investments	40,000
Other Revenue	1,655,395
Total Electric Fund Appropriations	\$ 21,365,300

Section 4. The following amounts are hereby appropriated in the Electric Fund for the operation of the electric utility for the fiscal year beginning July 1, 2018 and ending June 30, 2019, in accordance with the chart of accounts heretofore approved for the Town:

Electric Distribution Division	\$ 20,819,985
Tree Trimming Division	545,315
Total Electric Fund Appropriations	\$ 21,365,300

ORDINANCE 2018-xx

**BUDGET ORDINANCE OF THE TOWN OF WAKE FOREST,
NORTH CAROLINA FOR THE FISCAL YEAR 2018-2019**

Section 5. There is hereby levied a tax at the rate of fifty-two cents (\$.52) per one hundred dollars (\$100) valuation of property as listed as “Current Year’s Property Taxes” in the General Fund in Section 1 of this ordinance.

This rate is based on an estimated total valuation of \$5,253,524,715 and an estimated rate of collection of ninety-eight (98%).

Section 6. There is hereby levied a tax at the rate of fourteen cents (\$.14) per one hundred dollars (\$100) valuation of property in the Wake Forest Downtown Municipal Service District. Funds are to be used for continued improvements in the downtown district.

Current Year’s property tax	\$74,000
Other revenue	3,000
Appropriated Fund Balance	38,500
Total Estimated Revenues	\$ 115,500
Interfund transfers	\$ 115,500
Contingency	-
Total Appropriations	\$ 115,500

Section 7. The following amounts are hereby appropriated in the Debt Service Fund for the payment of general fund debt service for the fiscal year beginning July 1, 2018 and ending June 30, 2019 in accordance with the chart of accounts heretofore approved for the Town:

Interfund Transfers – General Fund	\$ 4,376,185
Interfund Transfers – DMSD	60,000
Powell Bill Funds	882,000
Vehicle Fees	626,760
Appropriated Fund Balance	797,175
Total Estimated Revenues	\$ 6,742,120
Installment – Principal	\$ 3,333,035
Installment – Interest	330,325
GO Bond - Principal	2,067,240
GO Bond - Interest	1,011,520
Total Appropriations	\$ 6,742,120

ORDINANCE 2018-xx

**BUDGET ORDINANCE OF THE TOWN OF WAKE FOREST,
NORTH CAROLINA FOR THE FISCAL YEAR 2018-2019**

Section 8. The following amounts are hereby appropriated in the Wake Forest Renaissance Centre Special Revenue Fund for the operation and activities for the fiscal year beginning July 1, 2018 and ending June 30, 2019 in accordance with the chart of accounts heretofore approved for the Town:

Sales and Services	\$152,500
Other Revenue	117,800
Other Financing Sources	350,050
Total Estimated Revenues	\$ 620,350
Personnel	\$ 350,050
Other Operating	270,300
Total Appropriations	\$ 620,350

Section 9. The Town Manager is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a) He may transfer amounts between objects of expenditure within a department without limitation and amounts up to \$50,000 between departments of the same fund without a report being required.
- b) He may not transfer any amounts between funds nor from any contingency appropriation within any fund except as approved by the Board in the Budget Ordinance as amended.

Section 10. The Town Manager is hereby authorized to execute contractual documents under the following conditions:

- a) He may execute contracts for construction or repair project which do not require formal competitive bid procedures.
- b) He may execute contracts for (1) purchases of apparatus, supplies and materials or equipment which are within budgeted departmental appropriations; (2) leases of personal property for a period of one year or less and within budgeted departmental appropriations; and (3) services which are within budgeted departmental appropriations.
- c) He may execute grant agreements to or from public and non-profit organizations which are within budgeted appropriations, unless a grantor organization requires execution by the Board of Commissioners.

ORDINANCE 2018-xx

**BUDGET ORDINANCE OF THE TOWN OF WAKE FOREST,
NORTH CAROLINA FOR THE FISCAL YEAR 2018-2019**

- d) He may execute contracts, as the lessor or lessee of real property, which are of one-year duration or less, if funds therefore are within budgeted appropriations.
- e) He may execute contracts for design consultant services, where consultant fees are estimated to be less than \$50,000.

Section 11. The Town's pay and classification plan is hereby amended by the attached assignment of classes and salary grades. The Town Manager is hereby authorized to fill such positions when such are vacant with the grade stated for each position.

Section 12. Operating funds encumbered on the financial records as of June 30, 2018 are hereby re-appropriated (carried forward) to fiscal year 2018-2019.

Section 13. The Chief Financial Officer is hereby authorized to allocate one (1%) percent of eligible capital projects or improvements in conjunction with the Town's Public Art Ordinance and establish a special fund accordingly with the provisions of such ordinance. Furthermore, the Chief Financial Officer shall submit to the Public Arts Commission within 30 days after approval of the annual budget ordinance an authorized annual budget for eligible projects.

Section 14. This ordinance is the basis of the financial plan for the Town during the 2018 - 2019 fiscal year. The Town Manager and Chief Financial Officer shall administer the Annual Operating Budget and shall provide direction and guidance in the disbursement of funds. Furthermore, the Chief Financial Officer shall establish and maintain all records, which are in accordance with this ordinance and N.C. General Statutes.

Adopted this the 19th day of June 2018.

Motion by: _____

Second by: _____

Mayor: _____

Approved as to form:

Eric A. Vernon
Town Attorney

ATTEST:

Town Clerk



TOWN *of*
WAKE FOREST

Town of Wake Forest

BUDGET HIGHLIGHTS

Fiscal Year 2018-2019

TAX RATES & USER FEES

- **Property Tax:** \$0.52 per \$100 of assessed property valuation. This equates to a breakdown of \$0.41 for Town operations and debt service and \$0.11 for fire services.
 - **Vehicle Fee:** Increase from \$15 to \$25 effective July 1 – additional \$10 for debt service fund
 - **Downtown Municipal Service District Tax:** \$0.14 per \$100 of assessed property valuation.
 - **Electric Rates:** No rate adjustments.
-

PERSONNEL ISSUES

- Additional full time positions – Sixteen (16) recommended:
 - Marketing & Business Relations Associate - Communications
 - Zoning Enforcement Officer – Planning
 - Administrative Captain – Public Safety
 - Corporals (5) – Public Safety
 - Lieutenant (Traffic) – Public Safety
 - Sergeant (Traffic) – Public Safety
 - Police Officers (Traffic) – Public Safety
 - Special Events and Off Duty Coordinator – Public Safety
 - Administrative Support Specialist – Public Safety
 - Continued with Pay and Classification update along with performance pay (merit) funds
 - Insurance premiums – funded at 9.5% *increase*
 - *Transition to NCHIP – health insurance pool effective July 1*
 - Funds allocated for future OPEB and LEO obligations
-

MAJOR IMPACTS AND SIGNIFICANT CHANGES

- Debt service fund - \$6.7 million - increase of \$2.1 million from FY 2017-2018
 - \$16 million GO Bonds issue – June 2018
 - \$3.4 million – installment financings – May 2018
 - Street rehabilitation and connections
 - Building acquisition – 353 S White Street
- Performance management (measures and indicators) system updated with full year of data
- Financial forecast through FY 2023 for Electric and General Fund included
- Capital Funding Plan: \$2.5 million – includes the following (refer to CIP tab for complete list)
 - \$1.5 million – General Fund
 - \$1.0 million – Electric Fund
- \$1,597,145 Appropriated Fund Balance
 - Funding one-time items per fiscal policy guidelines

Town of Wake Forest

Performance Management

OVERVIEW

Performance Management is a process in which a government organization will collect and analyze qualitative and quantitative data to measure the organization's efficiency. Performance management promotes instituting a shared understanding about what is to be achieved and how it is to be achieved. The goal is for all Town departments to identify their own unique contributions in achieving the objectives of their organization. By building meaningful links between departmental, organizational, and community objectives, the staff will increase the probability of achieving success for the organization.

WORKLOAD INDICATORS

Workload indicators are metrics used to measure the workflow of a government organization. Workload indicators are often building blocks for performance measures because they show a trend, allow for data collection and are meaningful to the public. By tracking these metrics, department directors can utilize this data to examine further performance measurements that may need to be implemented.

PERFORMANCE MEASUREMENT

In public service, performance measurement is a vital piece in the successful delivery of performance management. Establishing performance measures allows the Town to set realistic benchmarks with respect to each measure. The Town will be able to focus on both internal performance measurements (i.e. cost and quality management) and external performance measurements (i.e. customer service and value). Moreover, the correlation of target data versus actual data will show if the Town is meeting its desired outcomes. Measuring these results serves as an objective platform of quality assurance that is critical to the Town's success moving forward.

STRATEGY

The implementation of performance management is a direct result of the population and budgetary growth recently experienced by the Town of Wake Forest. This initiative will improve the budget in the following ways: 1) Develop a balanced set of performance measures, 2) Promote the performance measurement at both strategic and operational levels, and 3) Effectively report data gained from performance measurement systems. The purpose of this strategy is to examine factors that are likely to affect operations, identify strategies to control these factors, and optimize both internal and external performance of the government organization.

VISION

The Town of Wake Forest has implemented this process into its budget document with intent to maximize productivity across all departments. As appropriate performance measurements have been determined, both qualitative and quantitative data are gathered to support these measurements and promote internal growth at both strategic and operational levels. The primary goals are to establish effective performance measures and enhance fiscal strength while maintaining a high-level of accountability to its citizens. The Town has now collected its first full year of data with the intent to make well-informed budgetary decisions based on the performance analysis of all departments.

Town of Wake Forest

Financial Forecast

The Town of Wake Forest recognizes the importance of long-range planning throughout the organization. The purpose of a financial forecast is to evaluate current and future fiscal conditions that will enable the Board of Commissioners to make policy and programmatic decisions. A financial forecast is a fiscal management tool that presents estimated information based on past, current and projected financial conditions.

Included are forecasts for the General Fund and Electric Fund. The following items were considered when pulling together the forecasts:

- Strategic Plan
- Five-year Capital Improvements Plan (CIP)
- Existing Debt Service schedules
- Planned Future Debt Issuances
- Past trends
- Current and projected economic conditions

The Town has embraced a conservative philosophy to estimating revenues and expenditures. The conservative approach is consistent with the goals and expectations of the Board of Commissioners and directly aligns with Goal 4 – Enhance Fiscal Strength in our Strategic Plan.

The forecasts included in this document are projecting into the future based on what is known today, past experiences and our current economic environment. There is a level of control over future expenditure growth, but economic conditions will ultimately dictate future revenue growth. With this in mind, revenues are projected using lower percentages than past trends, while on the expenditure side, a higher growth percentage is utilized.

As required by North Carolina General Statutes, the Town's annual operating budget(s) have to be adopted and balanced by July 1. In the attached forecasts, projected expenditures may exceed projected revenues or as in the case of Electric, projected revenues may exceed expenses. These unbalanced forecasts reflect the work that is necessary to bring expenditures in line with revenues. Presenting balanced budget projections does not provide an accurate portrayal of the budgetary challenges that are faced annually. Also, keep in mind that conditions and situations constantly change. Improved economic conditions will translate into revenue growth that could exceed what is included in the forecast. As a result, that could translate into fewer cuts on the expenditure side or less pressure to increase revenue through increased taxes and/or fees.

The following projections present the budget framework around future financial planning. Assumptions for each fund prefaces the forecasts for the General Fund and Electric Fund.

General Fund

Forecast Assumptions

- Three year (FY 2015 – FY 2017) history of actual performance – audited per Comprehensive Annual Financial Report – schedule 1
- Includes General Fund and Debt Service Funds
- ***FY 2018 Information:***
 - Year to date as of March 31, 2018 included
 - Anticipated at this time that we will not utilize fund balance as appropriated in budget
- ***Assumptions for FY 2019 – FY 2023:***
 - Average growth in tax base over last four (4) years – 5.22%. Based on this trend 4% increase for ad valorem taxes
 - Other revenues - 2.5% increase
 - Vehicle Fee increase (\$15 to \$25) included beginning FY 2018-2019
 - Salaries & benefits - 4% increase
 - Fire services contract based on growth in tax base
 - Debt service – S White Street and 2011 Street Improvements paid off in FY 19 and FY 20
 - Estimated debt service included for pool renovations, street improvements, Joyner Park and Senior Center
 - Capital outlay is reflective of approximate average spent over the last six years
- ***Other items:***
 - Economic development initiatives – potential debt service impact
 - Discussion of another bond referendum in 2020 for future capital projects as outline in five year Capital Improvements Plan

**Town of Wake Forest
General Fund Forecast
For Fiscal Years 2018-2022**

	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	AMENDED FY 2018 Budget	03/31/18 FY 2018 YTD	FY 2018 Projected	PROPOSED FY 2019 BUDGET	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast
REVENUES										
Ad Valorem Taxes	\$ 22,422,548	\$ 23,610,065	\$ 24,470,851	\$ 24,940,185	\$ 24,988,397	\$ 25,703,530	\$ 26,865,960	\$ 27,842,840	\$ 28,956,550	\$ 30,114,815
Other Taxes	80,109	66,887	72,336	74,200	55,193	77,214	80,000	80,000	82,500	82,500
Unrestricted Intergovernmental	8,739,471	9,464,778	9,845,432	10,437,250	5,122,154	10,303,050	10,966,150	11,240,305	11,521,315	11,809,350
Restricted Intergovernmental	984,848	907,197	927,978	943,680	943,762	943,762	957,680	957,680	985,000	985,000
Permits and Fees	2,260,622	2,050,956	2,511,988	2,217,005	2,130,239	2,693,980	2,766,950	3,136,125	3,514,528	3,902,391
Sales and services	779,360	870,171	711,485	709,320	544,031	703,404	807,955	828,158	848,861	870,081
Other Revenue	352,433	736,518	831,288	680,425	491,071	764,264	894,200	675,000	700,000	700,000
Investment Earnings	23,969	45,076	88,026	75,000	110,812	147,750	162,500	175,000	175,000	180,000
Interfund Transfers	184,946	2,588,372	389,108	342,500	66,285	672,300	187,500	250,000	300,000	300,000
Installment Purchase Proceeds	792,750	871,700	1,023,170	1,155,500	1,068,800	2,068,800	788,500	800,000	800,000	950,000
Bond Proceeds	-	65,057	-	-	-	-	-	-	-	-
Proceeds from Settlement	507,768	-	-	-	-	-	-	-	-	-
Insurance Recovery - Shop Fire 2016	-	-	627,952	-	-	-	-	-	-	-
Appropriated Fund Balance	-	-	-	1,692,635	-	-	2,394,320	-	-	-
TOTAL REVENUES	37,128,824	41,276,777	41,499,613	43,267,700	35,520,744	44,078,054	46,871,715	45,985,107	47,883,754	49,894,138
Expenditures										
Salaries & Benefits	15,258,065	15,665,105	16,181,370	18,205,585	12,835,653	17,380,629	19,737,190	20,526,678	21,347,745	22,201,654
Professional Services	668,463	702,628	596,084	835,625	362,563	696,304	772,050	791,355	811,140	831,420
Operating	8,701,079	9,133,443	9,676,736	10,708,090	6,645,366	9,915,189	11,413,155	11,641,420	11,874,250	12,111,736
Fire Services Contract	4,674,218	7,254,103	5,097,844	5,254,655	3,940,991	5,339,180	5,663,300	5,889,832	6,125,425	6,370,442
Contributions	131,000	96,565	47,406	48,500	22,500	39,000	39,000	39,000	39,000	40,000
Transfers Out	92,931	328,377	775,445	1,074,865	330,254	1,027,850	985,050	421,350	431,885	431,885
TOTAL	29,525,755	33,180,222	32,374,886	36,127,320	24,137,327	34,398,152	38,609,745	39,309,635	40,629,444	41,987,138
Debt Service:										
Principal Retirement	3,795,093	4,099,020	4,134,069	4,012,670	2,991,171	4,186,341	5,400,275	4,456,480	3,803,441	3,347,556
Interest and fees	770,816	795,990	623,357	597,980	500,280	608,992	1,341,845	1,197,890	1,075,596	968,086
Future Debt Service (planned)	-	-	-	-	-	-	-	1,254,040	1,226,040	1,767,940
TOTAL	4,565,909	4,895,010	4,757,426	4,610,650	3,491,451	4,795,333	6,742,120	6,908,410	6,105,077	6,083,582
Non Operating Department										
Capital Outlay	1,709,610	1,844,459	2,746,924	2,529,730	936,196	3,739,980	1,519,850	1,750,000	2,000,000	2,000,000
TOTAL	1,709,610	1,844,459	2,746,924	2,529,730	936,196	3,739,980	1,519,850	1,750,000	2,000,000	2,000,000
TOTAL EXPENDITURES	35,801,274	39,919,691	39,879,236	43,267,700	28,564,974	42,933,465	46,871,715	47,968,045	48,734,521	50,070,720
Revenues Over (Under) Expenditures	\$ 1,327,550	\$ 1,357,087	\$ 1,620,377	\$ -	\$ 6,955,769	\$ 1,144,589	\$ -	\$ (1,982,938)	\$ (850,767)	\$ (176,582)

Electric Fund

Forecast Assumptions

- Three year (FY 2015 – FY 2017) history of actual performance – audited cash basis per Comprehensive Annual Financial Report – schedule 16
- ***FY 2018 Information:***
 - Year to date as of March 31, 2018 included
 - Installment purchase proceeds for rolling stock received in December 2017 – 3 year term – 1.77%
- ***Assumptions for FY 2019 – FY 2022:***
 - Sale of power - 3% increase
 - Salaries & benefits - 4% increase
 - Power purchases for resale – 3.5% increase
 - Debt service – 2007 Revenue bonds will be paid off in FY 2019
 - Three year debt service for rolling stock installment purchase – December 2017 loan
 - Capital outlay is reflective of what's included in five year CIP (system improvements, additional equipment and vehicles as well as replacements)
- Plan to update rate study in FY 2019 in anticipation of projected increase in wholesale power rates from NCEMPA in FY 2019

**Town of Wake Forest
Electric Fund Forecast
For Fiscal Years 2018 - 2022**

	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	AMENDED FY 2018 Budget	03/31/18 FY 2018 YTD	FY 2018 Projected	PROPOSED FY 2019 BUDGET	FY 2020 Forecast	FY 2021 Forecast	FY 2022 Forecast
REVENUES										
Electric Fund Operating Revenues										
Sale of Power	\$ 18,071,564	\$ 18,517,223	\$ 18,521,682	\$ 19,056,115	\$ 14,415,526	\$ 19,165,770	\$ 19,669,905	\$ 20,260,002	\$ 20,867,802	\$ 21,493,836
Sales Tax	1,305,577	1,311,558	1,306,516	1,333,950	1,018,415	1,326,474	1,376,895	1,418,200	1,460,746	1,504,569
Reconnection Fees	124,414	117,292	120,652	122,500	94,996	118,520	120,000	125,000	125,000	127,500
Miscellaneous	54,533	81,476	212,176	98,500	258,709	315,333	123,500	95,000	95,000	95,000
TOTAL	19,556,088	20,027,549	20,161,026	20,611,065	15,787,646	20,926,097	21,290,300	21,898,202	22,548,548	23,220,905
Non Operating Revenues										
Interest Earned	2,298	7,346	17,189	15,000	21,160	28,213	40,000	16,500	16,500	16,500
Sale of Assets	108,031	20,694	43,416	35,000	42,804	45,805	35,000	47,500	48,500	48,500
TOTAL	110,329	28,040	60,605	50,000	63,964	74,018	75,000	64,000	65,000	65,000
Total Electric Revenues	19,666,417	20,055,589	20,221,631	20,661,065	15,851,610	21,000,115	21,365,300	21,962,202	22,613,548	23,285,905
Transfer from Capital Reserve	-	-	-	-	-	-	-	-	-	-
Installment Purchase Proceeds	-	-	-	873,035	833,235	833,235	-	-	-	-
Appropriated Retained Earnings	-	-	-	-	-	-	-	-	-	-
TOTAL REVENUES	19,666,417	20,055,589	20,221,631	21,534,100	16,684,845	21,833,350	21,365,300	21,962,202	22,613,548	23,285,905
Expenses										
Electric Operations										
Salaries & Benefits	2,450,571	2,635,578	2,838,398	3,250,965	2,433,537	3,152,098	3,679,890	3,827,086	3,980,169	4,139,376
Power Purchases for Resale	13,188,179	11,524,092	12,060,954	12,543,680	8,078,299	12,217,449	12,436,200	12,871,467	13,321,968	13,788,237
Utility Sales Tax	1,955,133	2,023,172	2,009,211	2,119,355	1,475,447	1,967,263	2,013,500	2,050,000	2,050,000	2,130,000
Repairs & Maintenance	151,431	166,473	215,380	302,700	104,582	219,661	256,000	250,000	275,000	275,000
Other Operating Expenditures	657,626	667,771	952,087	1,070,370	889,689	933,105	1,179,790	900,000	950,000	950,000
TOTAL	18,402,940	17,017,086	18,076,030	19,287,070	12,981,555	18,489,576	19,565,380	19,898,553	20,577,137	21,282,613
Debt Service:										
Principal Retirement	443,599	437,650	450,630	464,100	463,756	610,060	753,450	530,768	387,148	250,405
Interest and fees	85,475	89,688	72,034	53,895	54,232	61,567	50,970	33,991	23,463	27,943
TOTAL	529,074	527,338	522,664	517,995	517,988	671,627	804,420	564,759	410,611	278,348
Non Operating Department										
Capital Outlay	863,722	1,125,164	1,765,632	1,729,035	1,324,175	1,633,390	995,500	1,981,500	1,474,500	1,505,500
TOTAL	863,722	1,125,164	1,765,632	1,729,035	1,324,175	1,633,390	995,500	1,981,500	1,474,500	1,505,500
TOTAL EXPENSES	19,795,736	18,669,588	20,364,326	21,534,100	14,823,718	20,794,593	21,365,300	22,444,812	22,462,248	23,066,461
Revenues Over (Under) Expenses	\$ (129,319)	\$ 1,386,001	\$ (142,695)	\$ -	\$ 1,861,127	\$ 1,038,757	\$ -	\$ (482,609)	\$ 151,300	\$ 219,444



TOWN *of*
WAKE FOREST

Town of Wake Forest Annual Budget Summary

	FY 2017 Actual	FY 2018 Budget	FY 2018 Actuals	FY 2018 Estimated	FY 2019 Proposed
100 General Fund					
Revenue					
Ad Valorem Taxes	\$ 24,470,851	\$ 24,940,185	\$ 24,988,397	\$ 25,703,530	\$ 26,865,960
Other Taxes	72,336	74,200	55,193	77,214	80,000
Unrestricted intergovernmental	9,845,432	10,437,250	5,122,154	10,303,050	10,966,150
Restricted Governmental	927,978	75,680	75,676	75,676	75,680
Permits and Fees	2,511,988	1,910,505	1,915,483	2,390,410	2,140,190
Sales and services	711,485	709,320	544,031	703,404	807,955
Other Revenue	1,459,240	680,425	491,071	764,264	894,200
Investment Earnings	88,026	75,000	110,812	147,750	162,500
Other Financing Sources	1,412,278	3,190,635	1,075,085	2,681,100	2,513,145
Revenue Total	41,499,613	42,093,200	34,377,902	42,846,398	44,505,780
Expenses					
Personal Service	16,181,370	18,205,585	12,829,498	17,380,629	19,737,190
Professional Services	596,084	835,625	362,563	696,304	772,050
Operating	14,774,580	15,962,745	10,591,306	15,254,369	17,076,455
Contributions	47,406	48,500	62,500	39,000	39,000
Capital Outlay	2,746,924	2,529,730	936,196	3,739,980	1,519,850
Debt Service	4,757,426	-	-	-	-
Transfers In (Out)	775,445	4,511,015	3,788,242	5,638,500	5,361,235
Expenses Total	39,879,235	42,093,200	28,570,305	42,748,782	44,505,780
100 General Fund Total	\$ 1,620,377	\$ -	\$ 5,807,597	\$ 97,616	\$ -
200 Debt Service Fund					
Revenue					
Restricted Governmental	\$ -	\$ 868,000	\$ 868,086	\$ 868,086	\$ 882,000
Permits and Fees	-	306,500	214,756	303,570	626,760
Other Financing Sources	-	3,436,150	3,517,987	4,670,650	5,233,360
Revenue Total	-	4,610,650	4,600,829	5,842,306	6,742,120
Expenses					
Debt Service	-	4,610,650	-	4,795,333	6,742,120
Expenses Total	-	4,610,650	3,491,451	4,795,333	6,742,120
200 Debt Service Fund Total	-	-	1,109,379	1,046,973	-
360 Wake Forest Power					
Revenue					
Charges for Services	\$ 18,642,284	\$ 19,192,115	\$ 14,564,129	\$ 19,343,967	\$ 19,818,405
Sales Tax - Utility	1,306,516	1,333,950	1,018,415	1,326,474	1,376,895
Other Revenue	255,642	120,000	247,906	301,461	130,000
Investment Earnings	17,189	15,000	21,160	28,213	40,000
Other Financing Sources	-	873,035	833,235	833,235	-
Revenue Total	20,221,631	21,534,100	16,684,845	21,833,350	21,365,300
Expenses					
Personal Service	3,247,329	3,250,965	2,433,537	3,152,098	3,679,890
Professional Services	70,944	50,000	34,481	50,000	85,000
Operating	15,162,841	15,981,105	10,509,786	15,282,478	15,761,190
Contributions	5,000	5,000	3,750	5,000	5,000
Capital Outlay	-	1,729,035	1,324,175	1,633,390	995,500
Debt Service	67,686	517,995	517,988	671,627	804,420
Transfers In (Out)	-	-	-	-	34,300
Expenses Total	18,553,800	21,534,100	14,823,718	20,794,593	21,365,300
360 Wake Forest Power Total	1,667,831	-	1,861,127	1,038,757	-

Town of Wake Forest Annual Budget Summary

	FY 2017 Actual	FY 2018 Budget	FY 2018 Actuals	FY 2018 Estimated	FY 2019 Proposed
400 DMSD Special Revenue Fund					
Revenue					
Ad Valorem Taxes	\$ 74,592	\$ 74,000	\$ 73,937	\$ 75,266	\$ 74,000
Investment Earnings	1,365	1,000	1,682	2,243	3,000
Other Financing Sources	-	44,500	-	-	38,500
Revenue Total	75,957	119,500	75,620	77,509	115,500
Expenses					
Operating	-	-	-	-	-
Transfers In (Out)	64,668	119,500	66,285	83,785	115,500
Expenses Total	64,668	119,500	66,285	83,785	115,500
400 DMSD Special Revenue Fund Total	\$ 11,289	\$ -	\$ 9,335	\$ (6,276)	\$ -
425 Wake Forest Renaissance Centre					
Revenue					
Sales and services	\$ 88,682	\$ 98,000	\$ 64,938	\$ 78,652	\$ 152,500
Other Revenue	64,447	56,000	50,872	61,695	117,800
Other Financing Sources	276,620	321,100	211,254	321,100	350,050
Revenue Total	429,749	475,100	327,064	461,447	620,350
Expenses					
Personal Service	259,575	291,985	211,254	283,675	350,050
Operating	185,888	178,115	105,062	146,274	270,300
Capital Outlay	-	5,000	-	-	-
Expenses Total	445,464	475,100	316,316	429,949	620,350
425 Wake Forest Renaissance Centre Total	\$ (15,715)	\$ -	\$ 10,747	\$ 31,498	\$ -
 Revenue Grand Totals	 62,226,949	 68,832,550	 56,066,260	 71,061,010	 73,349,050
Expenditure Grand Totals	58,943,167	68,832,550	47,268,075	68,852,442	73,349,050
Net Grand Totals	3,283,782	-	8,798,185	2,208,568	-

NOTE: Includes transfer of \$4,376,185 from General Fund to the Debt Service Fund which is equal to 8.5 cents of the property tax rate.

AUTHORIZATION BY POSITION - ENTITY SUMMARY (FUNDED)

	2016 Actual	2017 Actual	2018 Actual	2019 Requested	2019 Proposed
GENERAL FUND					
<i>GENERAL GOVERNMENT</i>					
Administration	3.0	4.0	4.0	4.0	4.0
Economic Development*	1.0	1.0	1.0	1.0	1.0
Downtown Development	1.0	1.0	1.0	1.0	1.0
Communications	3.0	3.0	3.0	5.0	4.0
Human Resources	4.0	4.0	5.0	5.0	5.0
Finance	17.0	18.0	18.0	18.0	18.0
Management Information Systems	5.0	6.0	6.0	6.0	6.0
Planning	8.0	8.0	9.0	10.0	10.0
Inspections	14.0	15.0	16.0	16.0	16.0
Public Facilities	3.0	3.0	4.0	4.0	4.0
Engineering	7.0	7.0	7.0	7.0	7.0
Public Works Administration	2.0	2.0	2.0	3.0	2.0
Fleet Maintenance	5.0	6.0	6.0	6.0	6.0
TOTAL GENERAL GOVERNMENT	73.0	78.0	82.0	86.0	84.0
TOTAL PUBLIC SAFETY	84.0	91.0	91.0	106.0	105.0
TOTAL TRANSPORTATION	20.0	20.0	20.0	20.0	20.0
TOTAL ENVIRONMENTAL PROTECTION	9.0	9.0	12.0	12.0	12.0
TOTAL CULTURAL AND RECREATIONAL	17.0	19.0	23.0	23.0	23.0
TOTAL GENERAL FUND	203.0	217.0	228.0	247.0	244.0
ELECTRIC FUND					
Operations	20.0	20.0	21.0	21.0	21.0
Tree Trimming	3.0	3.0	5.0	5.0	5.0
TOTAL ELECTRIC FUND	23.0	23.0	26.0	26.0	26.0
TOTAL RENAISSANCE CENTRE FUND	2.0	4.0	4.0	5.0	4.0
TOTAL AUTHORIZED POSITIONS	228.0	244.0	258.0	278.0	274.0

(1) Excludes temporary, part-time and seasonal employees

(2) There were no new positions approved in the FY 2015-2016 budget. The Board of Commissioners authorized the Economic Director position during this fiscal year.

FY 2018-2019 BUDGET - Strategic Plan Items

<i>GOAL: Strategy/Objective</i>	<i>Department</i>
<i>Goal 1 - Stimulate Economic Development</i>	
Increased funding for Marketing and Promotion	Economic Development
Allocated funds to transfer to Futures Fund - \$75,000	Economic Development
Entrepreneurship programs	Economic Development
Debt service - SunTrust Building purchase	Debt Service Fund - Public Facilities
Façade Improvements	Downtown Development
Friday Night on White events	"
New and replacement downtown banners	"
Marketing and Business Relations Associate	Communications
<i>Goal 2 - Enhance and Promote a Safe and Connected Community</i>	
Transportation Plan update - continuation	Planning
Street rehabilitation and connections - debt service	Debt Service Fund - Streets
Education and marketing initiatives (411 videos, social media, publications, etc.)	Communications
Transportation Plan update	Planning
Zoning Compliance Officer	Planning
Fourteen (14) positions including a second traffic unit	Public Safety
Pavement Analysis update - street maintenance program	Engineering
Sidewalk improvements	Streets
Smith Creek Soccer Center - playing surface repairs	Parks, Recreation and Cultural Resources
<i>Goal 3 - Instill an Organizational Culture that Reflects our Core Values</i>	
Training for Supervisors	Human Resources
Performance pay and career ladder funding	Organization
Medical insurance premium increase	"
Additional staff (16 new positions)	"
<i>Goal 4 - Enhance Fiscal Strength</i>	
Performance management system - full year of data included	Organization
Financial forecast included in budget	"
Financial transparency/performance dashboard software	Administration/Finance
Advertising and sponsorship revenues - offset costs	Communications
Vehicle fee increase from \$15 to \$25 - debt service fund	Debt Service Fund - Streets
Appropriated fund balance - one time capital items per fiscal policy	Organization
Debt service fund established - transition to set tax rate for debt	"
Transition to NCHIP - health insurance pool	"
Funds allocated for economic development and capital reserve	"
Funds allocated for OPEB and LEO	"

Town of Wake Forest
REVENUE ASSUMPTIONS
Fiscal Year 2018-2019

The following information defines the major sources of revenue for the Town of Wake Forest for the fiscal year 2018-2019. The Town's anticipated revenues have been determined using historical financial trends, property tax values from Wake County, Franklin County and projections provided by the North Carolina League of Municipalities (NCLM).

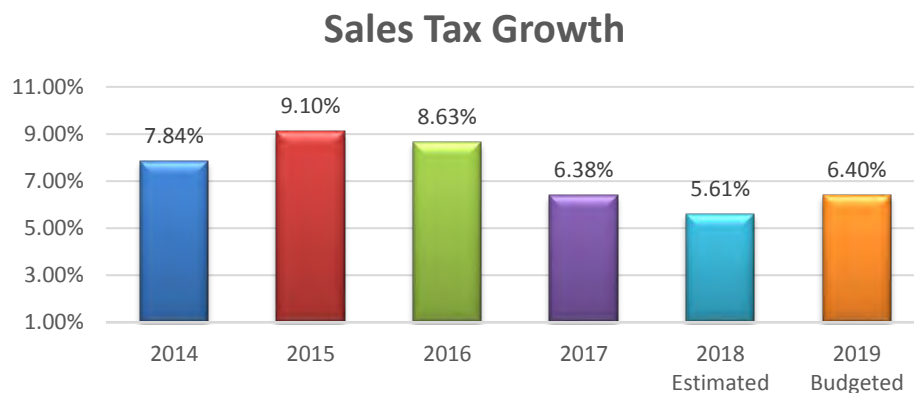
AD VALOREM TAXES

Ad Valorem taxes represent 60.4% of General Fund revenues and are based upon a \$.52 tax rate per one hundred (\$100) of assessed property valuation. The estimated assessed valuation which includes tax and tag estimates as provided by Wake County and Franklin County totals \$5,253,524,715 and is budgeted at a 98% collection rate.

STATE SHARED REVENUES

- **LOCAL OPTION SALES TAXES**

The State of North Carolina collects and distributes a \$.01 tax on retail sales on a point of sale basis. Local governments also are eligible to receive three ½ cent taxes based on either a per capita (population) or an ad valorem (property value) basis. The Town's distributions are calculated using the per capita distribution formula. Local option sales taxes represent approximately 18.1% of General Fund revenues for FY 2018-2019. The NCLM is projecting that the statewide local sales tax revenue will grow by 4.5% from the FY 2017-2018 level. This growth is not being experienced equally across the state and Wake County trends have been higher. The Town's sales tax revenue is budgeted at approximately 6.4% higher than projections for FY 2017-2018.



- **POWELL BILL**

Based on the most recent Office of State Budget and Management (OSBM) estimates, the total allocation for FY 2018-2019 is expected to remain unchanged. Staff has budgeted Powell Bill funds at a relatively flat increase of 1.6% compared to FY 2017-2018. This increase is related to newly acquired and additional streets maintained that will be included in the next calculation.

- **UTILITY DISTRIBUTION**

Utility Distribution represents 6.1% of General Fund revenues for FY 2018-2019. Staff has budgeted total utility distribution 9.3% higher than FY 2016-2017 actual received and 3.2% higher than projected for FY 2017-2018.

- ❖ Electricity Franchise – the Town’s share of the tax is based on actual receipts from electric service within the municipal boundaries. It is projected based on rates and price forecasts for the South Atlantic Region. The NCLM is projecting statewide growth of 1.0%. Based on the town’s analysis and trend we have projected growth of 8.7% for the FY 2018-2019.
- ❖ Telecommunication Sales Tax – the distribution of this revenue is based on each municipality’s past share of the old telephone franchise tax. The annual statewide telecommunications revenues for the current fiscal year is expected to decline by 5% and to decrease by another 4% in FY 2018-2019. This source of revenue a seen multiple years of decline. This is likely a factor of customers abandoning landline telephone service for mobile telephone service. Based on the town’s analysis and trend we have projected no increase or decrease to this source.
- ❖ Piped Natural Gas Sales Tax – the distribution method for the tax on piped natural gas was changed as part of the tax reform legislation. The general sales tax rate now applies to the sale of pipe natural gas and 20% of the proceeds are returned to cities and towns. The statewide projection for FY 2018-2019 is growth of 1.0%. Based on the town’s analysis and trend we have projected decrease of 9.6%.
- ❖ Local Video Programming Sales Tax – beginning FY 2009 this distribution is determined by multiplying the town’s base amount by the percentage change in its population for the fiscal year. The result plus the base amount for the previous fiscal year is the portion that the town receives. This is another source

of revenue which has seen multiple years of decline. The decline in this revenue is attributable to cable TV customers moving away from traditional services in favor of streaming service options. Statewide it is projected that these funds will decrease 1% from the FY 2017-2018 amounts. Based on the town's analysis and trend we project this source to remain flat for the upcoming fiscal year.

ELECTRIC FEES

The Town provides electricity to over 6,200 residents and commercial establishments combined. No rate increase is included in the proposed budget.

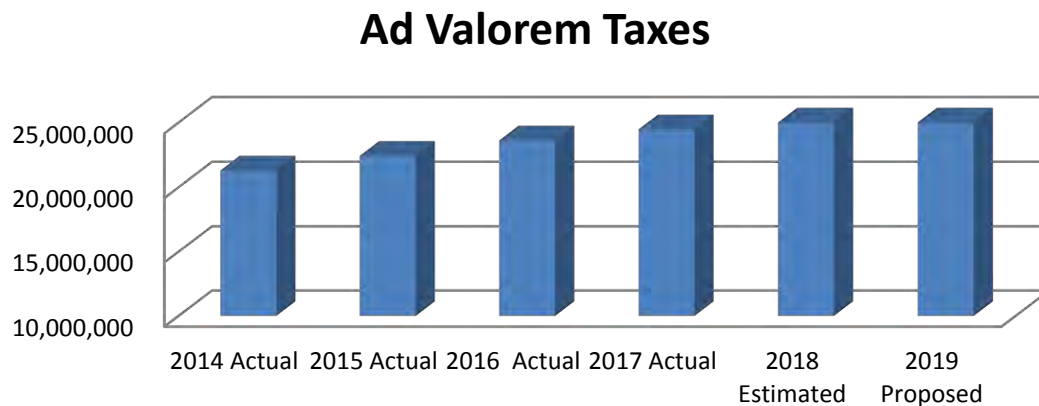
Sale of power for the proposed budget is approximately a 6.2% increase over FY 2016-2017 actual receipts and increases 2.6% when compared with FY 2017-2018 estimations. Sale of power represents 92.1% of Electric Fund total revenues.

Town of Wake Forest Detail Revenue Summaries

Description of major revenue sources and their related trends follow. The graphs present four years of actual data, estimated revenues for FY 2018 and proposed budget revenues for FY 2019.

Ad Valorem Taxes

The property tax is the Town's main revenue source. Property taxes are assessed and collected by Wake and Franklin County and remitted to the town throughout the year. The proposed property tax rate for FY 2019 is \$.52 per \$100 of assessed value. Property categories assessed include real property, personal property, vehicles and public service providers.



Unrestricted Intergovernmental

Sales Tax

The State of North Carolina (State) counties levy two half-cent sales taxes (Article 40 and Article 42) and one full-cent sales tax (Local Option Sales Tax) on sales. These taxes are collected by the state monthly and remitted to counties on a per capita basis. Wake County then distributes these taxes to the municipalities based on their portion of the total county assessed valuation. Each municipality also receives a share referred to as the Hold Harmless provision, which accounts for prior legislative changes in local sales tax distributions by passing through additional sales tax to municipalities as a result of the half-cent Article 44 state tax repeal. The state Department of Revenue uses a formula which redistributes a share of county sales tax among the cities. This redistribution calculates the Article 39 and 40 allocations.

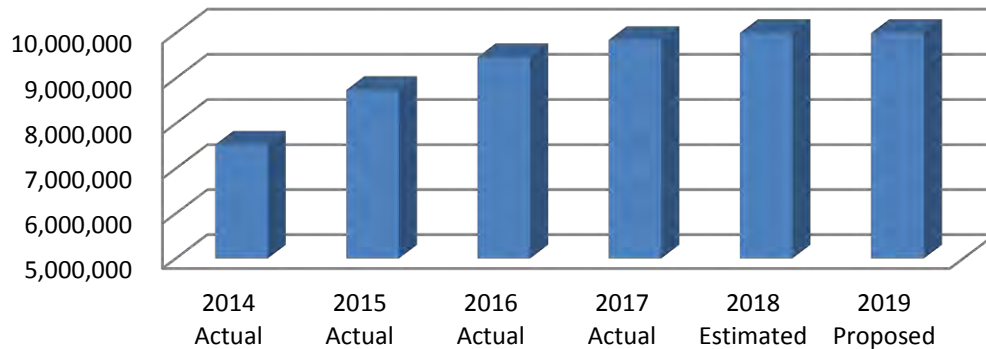
Utility Franchise Tax

The State levies a tax on utility companies (electricity and natural gas) based on either gross receipts or usage. The state shares a portion of these taxes with local governments based on usage within their jurisdiction. The State also levies a tax on telecommunications gross receipts and then distributes a portion of these taxes per capita to each municipality.

Beer and Wine Tax

The State levies tax on alcoholic beverages and a municipality may share in the revenues if beer and/or wine are sold legally within its jurisdiction. The proceeds are distributed based on the Town's population as recorded by the NC Office of the State Demographer.

Unrestricted Intergovernmental



Permits and Fees

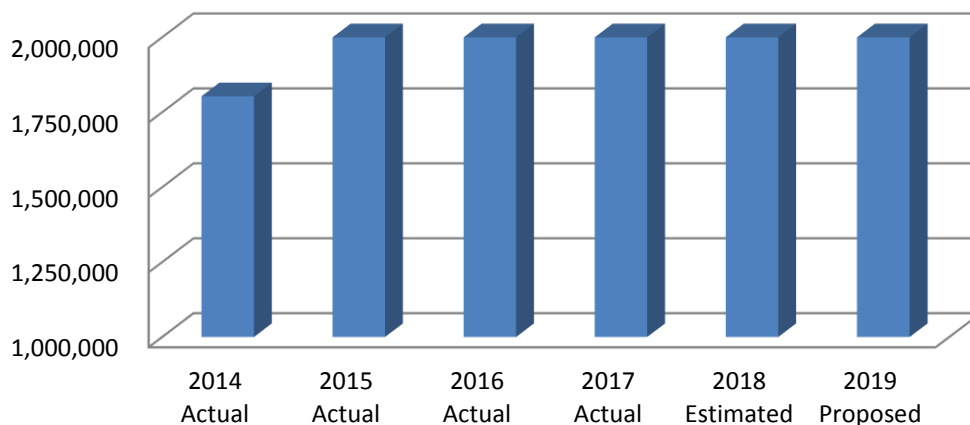
Motor Vehicles Fees

The Town collects an annual fee for each motor vehicle registered within the town limits as allowed by the North Carolina General Statutes. The current collection rate is \$15 per vehicle. The 2019 budget proposes an increase in this vehicle fee to \$25 per vehicle. The additional \$10 will be used to for debt service for future transportation improvement.

Building Permits and Inspections

The Town charges fees for providing construction permits, plan reviews and inspection services to applicants in accordance with North Carolina General Statute 160 A-414. In addition, the town charges fees for commercial site, street sign inspections, re-inspections, etc.

Permits and Fees



Restricted Governmental

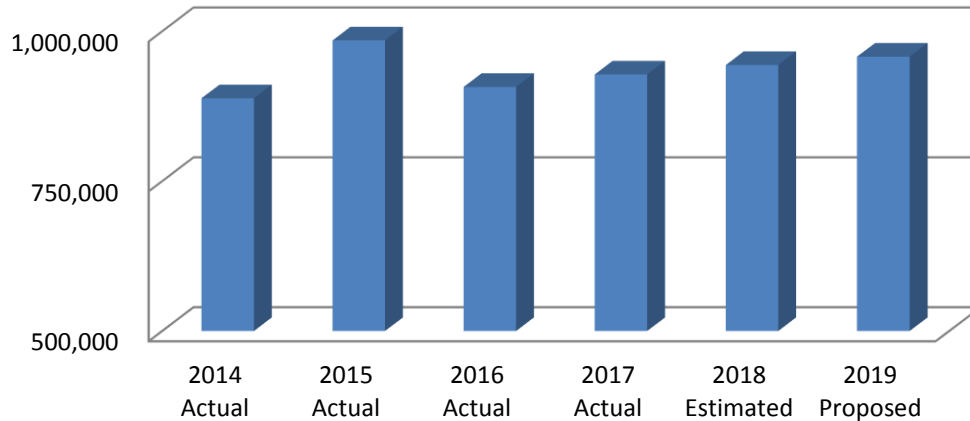
Powell Bill

Annually, street aid allocations are made to eligible municipalities as provided by State law. These allocations come from a portion of the tax on motor fuels and State highway funds. Powell Bill funds are restricted in their use for maintaining and constructing local streets. The distribution of funds is based on a formula that accounts for the town's population, as well as the miles of local streets maintained.

Grants

The town has a memorandum of understanding with Wake County which provides funding to support school resource officers (SROs).

Restricted Intergovernmental



Sales and Services

Recreation Fees

These revenues are fees collected from participants in town recreation activities such as classes, camps athletics, workshops and event programs.

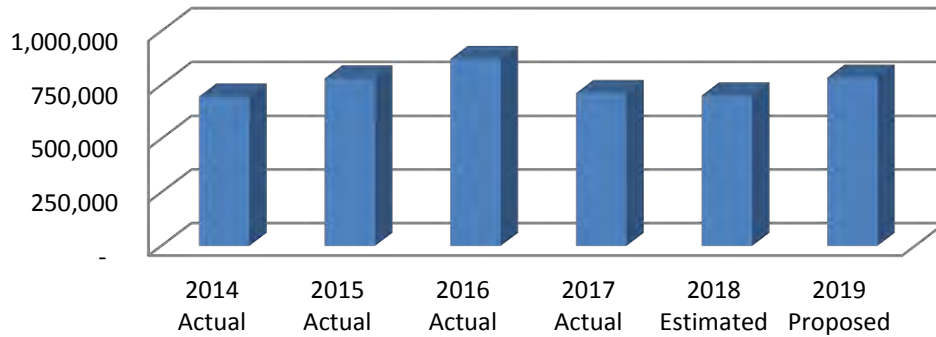
Solid Waste

The North Carolina General Assembly enacted a \$2 per ton statewide "tipping fee" on municipal solid waste and construction debris deposited in a landfill or transfer station in the state. A portion of the funds raised are distributed back to local government to fund solid waste programs.

Communication Tower

Funds are from lease payments made by cellular telephone service providers to the town for the lease of property on which cellular towers are built.

Sales and Services

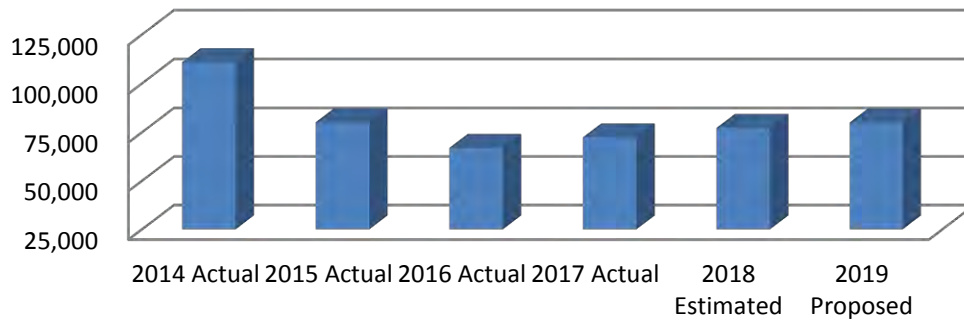


Other Taxes

Rental Vehicle Tax

The state legislature authorized the taxing of gross receipts on rental of heavy equipment.

Other Taxes



Other Revenue

ABC Revenue

These revenues are distributed quarterly by the county Alcohol Beverage Control board based on the ad valorem levy from the previous year after expenses are deducted for law enforcement, education and rehabilitation.

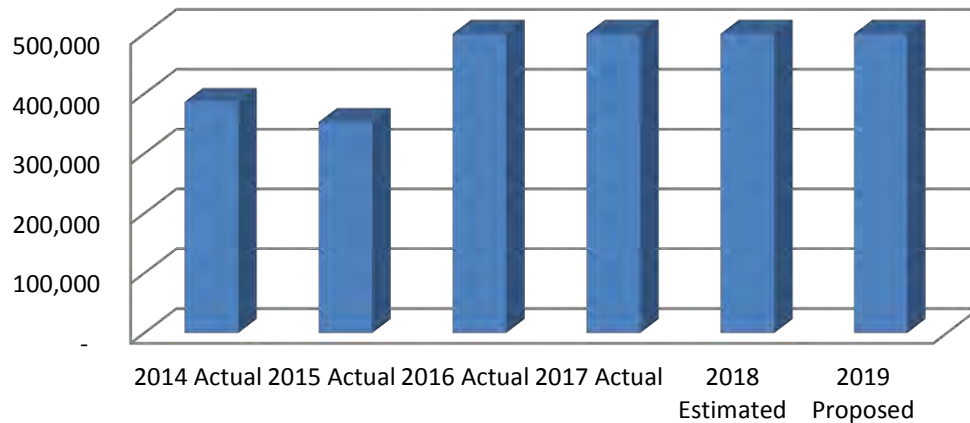
Miscellaneous

These are revenues that do not fit into any other revenue category.

Sale of capital assets and surplus

Through the purchase of replacement vehicles and equipment, the town intends to sell, via approval of the Town Manager, surplus equipment and vehicles that are no longer used by the town.

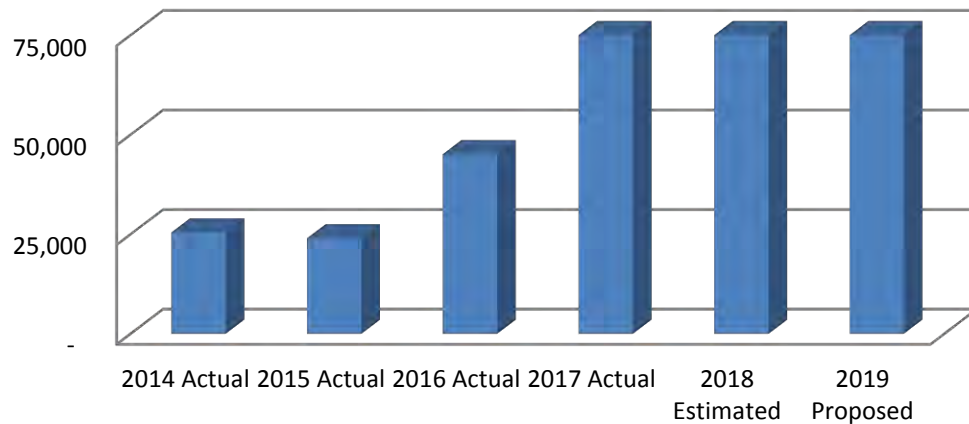
Other Revenue



Investment Earnings

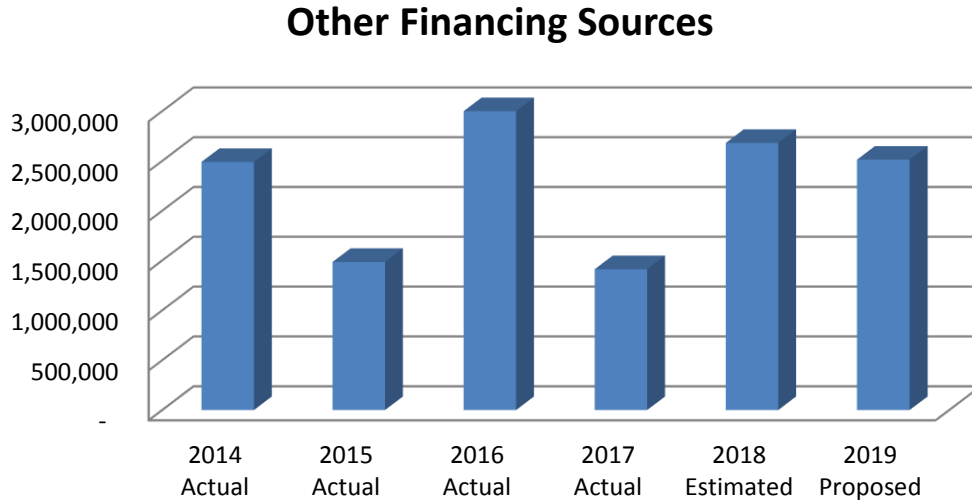
This category of revenue is significantly depended on current market conditions and the overall dollar amount available for investment. It reflects interest earned by the town's account at the various financial institutions. This revenue stream is projected to increase as the town will continue to diversify some of its investment portfolio as allowed by the North Carolina General Statutes and the town's investment policy. Recent increases are due to rising interest rate environment along with additional funds to invest.

Investment Earnings



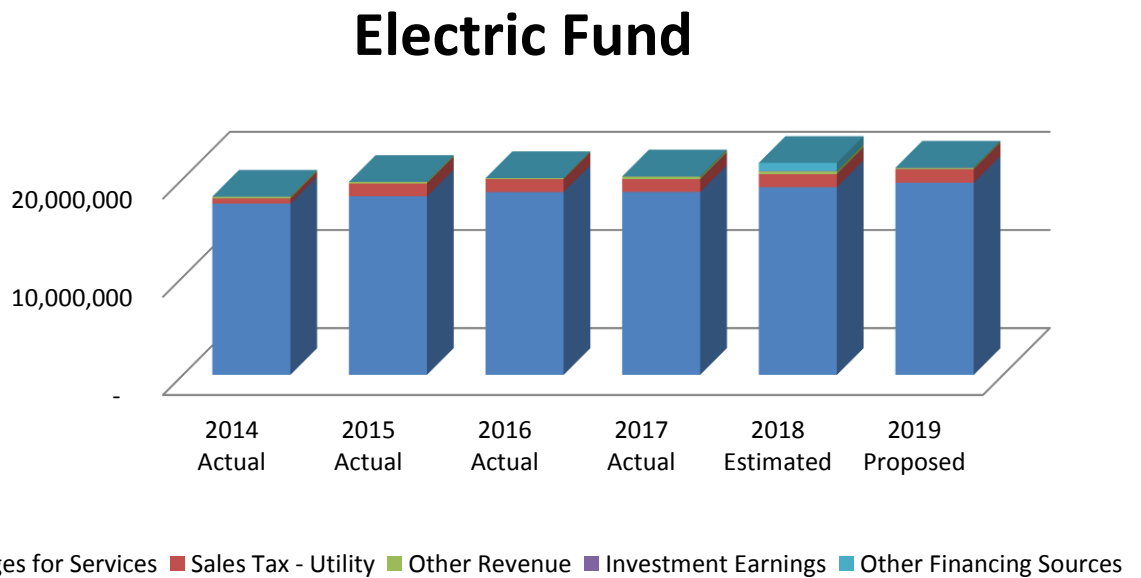
Other Financing Sources

These represent amounts transferred from reserves, proceeds received from any issuance of debt and funds appropriated in fund balance.



Electric Fund

The majority of these funds are received as a result of the sale of power to the Wake Forest Power customers, including the sales tax incurred on this power being sold. The other main sources that make up this funding stream are electric late and reconnection fees, capital asset surplus and any debt financing that may occur.





TOWN *of*
WAKE FOREST

Fund 100: General Fund Summary

	2017 Actual	2018 Adopted Budget	2018 Amended Budget	2018 Actuals	2018 Projected	2019 Requested	2019 Proposed Budget
Revenue							
Ad Valorem Taxes	\$ 24,470,851	\$ 24,940,185	\$ 24,940,185	\$ 24,988,397	\$ 25,703,530	\$ 26,329,350	\$ 26,865,960
Other Taxes	72,336	73,000	74,200	55,193	77,214	79,500	80,000
Unrestricted intergovernmental	9,845,432	10,437,250	10,437,250	5,122,154	10,303,050	10,705,300	10,966,150
Restricted Governmental	927,978	940,780	75,680	75,676	75,676	75,680	75,680
Permits and Fees	2,511,988	2,066,950	1,910,505	110,812	2,390,410	2,061,690	2,140,190
Sales and services	711,485	713,020	709,320	1,915,483	703,404	689,050	807,955
Other Revenue	1,459,240	676,200	680,425	544,031	764,264	546,500	894,200
Investment Earnings	88,026	75,000	75,000	491,071	147,750	150,000	162,500
Other Financing Sources	1,412,278	2,972,115	3,190,635	1,075,085	2,681,100	-	2,513,145
Revenue Total	\$ 41,499,613	\$ 42,894,500	\$ 42,093,200	\$ 34,377,902	\$ 42,846,398	\$ 40,637,070	\$ 44,505,780
Expenses							
Personal Service	\$ 16,181,370	\$ 18,212,085	\$ 18,205,585	\$ 12,829,498	\$ 17,380,629	\$ 20,146,860	\$ 19,737,190
Professional Services	596,084	717,800	835,625	362,563	696,304	1,336,585	772,050
Operating	14,774,580	15,935,100	15,962,745	10,591,306	15,254,369	18,561,212	17,076,455
Contributions	47,406	48,500	48,500	62,500	39,000	39,500	39,000
Capital Outlay	2,746,924	2,432,400	2,529,730	936,196	3,739,980	9,011,418	1,519,850
Debt Service	4,757,426	-	-	-	-	-	-
Transfers In (Out)	775,445	5,548,615	4,511,015	3,788,242	5,638,500	5,045,550	5,361,235
Expenses Total	\$ 39,879,235	\$ 42,894,500	\$ 42,093,200	\$ 28,570,305	\$ 42,748,782	\$ 54,141,125	\$ 44,505,780
Revenue Total	\$ 41,499,613	\$ 42,894,500	\$ 42,093,200	\$ 34,377,902	\$ 42,846,398	\$ 40,637,070	\$ 44,505,780
Expenses Total	\$ 39,879,235	\$ 42,894,500	\$ 42,093,200	\$ 28,570,305	\$ 42,748,782	\$ 54,141,125	\$ 44,505,780
Fund 100 - Net Total	\$ 1,620,377	\$ -	\$ -	\$ 5,807,597	\$ 97,616	\$ (13,504,055)	\$ -

General Fund Budget Summary by Department

	2017 Actual	2018 Adopted Budget	2018 Amended Budget	2018 Actuals	2018 Projected	2019 Requested	2019 Proposed Budget
Revenue							
000 Non-Departmental	\$ 41,499,613	\$ 42,894,500	\$ 42,093,200	\$ 34,377,902	\$ 42,846,398	\$ 40,637,070	\$ 44,505,780
Revenue Total	\$ 41,499,613	\$ 42,894,500	\$ 42,093,200	\$ 34,377,902	\$ 42,846,398	\$ 40,637,070	\$ 44,505,780
Expenses							
410 Board of Commissioners	650,529	675,150	675,150	503,466	666,805	698,875	635,875
415 Economic Development	229,890	395,175	395,675	221,462	323,597	469,680	388,115
420 Administration	580,095	408,950	408,950	281,865	374,813	441,900	407,315
425 Communications	641,000	697,050	697,050	451,494	682,779	989,500	927,250
430 Human Resources	527,830	568,360	574,285	388,756	532,945	689,495	583,950
435 Downtown Development	254,847	330,290	342,090	180,493	287,513	341,595	333,395
440 Finance	1,215,868	1,338,945	1,338,945	988,184	1,315,237	1,458,225	1,316,490
445 Information Technology	1,075,004	1,451,485	1,451,485	702,310	1,274,553	2,889,650	1,048,085
480 Building Inspections	1,444,400	1,553,375	1,612,005	1,121,997	1,547,255	1,704,330	1,698,445
490 Planning	953,667	1,209,950	1,312,675	734,205	1,127,214	1,507,670	1,352,540
500 Public Facilities	3,433,560	1,854,535	1,802,235	1,177,144	3,186,126	5,431,440	1,737,385
510 Public Safety	14,784,676	14,894,650	14,921,435	10,657,078	14,568,514	18,301,710	17,035,755
530 Public Works Administration	177,717	187,280	187,280	153,511	220,329	177,035	196,730
540 Engineering	1,250,764	1,312,200	1,268,200	795,586	1,205,760	2,851,945	1,404,660
550 Fleet Maintenance	389,378	442,250	442,250	281,717	406,128	616,460	425,300
560 Streets	3,720,848	2,965,690	2,965,690	1,504,640	2,563,844	2,906,930	2,503,485
570 Powell Bill	1,019,668	35,000	35,000	26,296	31,184	35,000	-
580 Environmental Services	3,499,610	3,557,310	3,557,310	2,300,852	3,533,682	3,662,740	3,555,885
620 Parks & Recreation	4,029,885	3,468,240	3,594,475	2,311,006	3,262,004	3,921,395	3,593,885
999 Transfers	-	5,548,615	4,511,015	3,788,242	5,638,500	5,045,550	5,361,235
Expenses Total	39,879,235	42,894,500	42,093,200	28,570,305	42,748,782	54,141,125	44,505,780
Fund Total: General Fund	\$ 1,620,377	\$ -	\$ -	\$ 5,807,597	\$ 97,616	\$ (13,504,055)	\$ -

Town of Wake Forest
FUND BALANCE - PROJECTED
Fiscal year ending June 30, 2018

	General Fund
Fund balance at June 30, 2017	\$16,057,659
Projected revenues and other sources	48,688,704
Projected expenditures and other uses	(47,544,115)
Projected fund balance at June 30, 2018	17,202,248
Less:	
Restricted - Stabilization By State Statute - estimated	(3,750,000)
Assigned - Subsequent years expenditures	(2,394,320)
*Unassigned fund balance - estimated	\$11,057,928
FY 2018-2019 Proposed Budgeted Expenditures	\$46,871,715
Unassigned fund balance as a percentage of budget expenditures	23.59%
Total fund balance as a percentage of budgeted expenditures	36.70%

Includes General Fund and Debt Service Funds

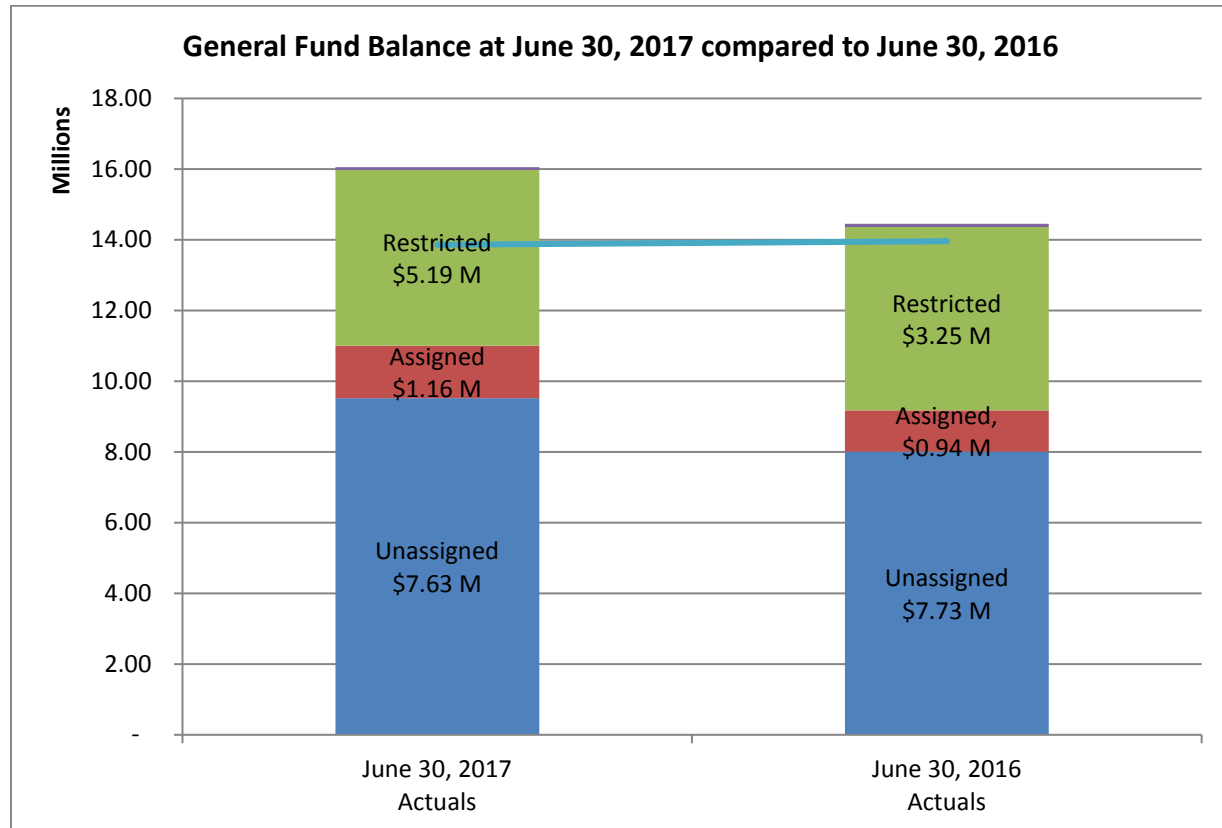
		Amount to Retain Per Policy	PROJECTED Additional Funds over/(under) Target %
	Target %	Available Fund Balance*	
Policy Approved by BOC			
Unassigned Fund Balance	20 - 25%	\$9,374,343	\$1,683,585

**calculated at lowest threshold*

General Fund - Fund Balance

It is important to maintain a fund balance level that would be sufficient for the town in the event of an unanticipated crisis or event, such as a loss or major reduction of a revenue source, a sudden economic downturn or a natural disaster. In addition, fund balance assists the town in avoiding cash flow interruptions, to generate investment income and to eliminate the need for short-term borrowing.

General Fund Balance Analysis



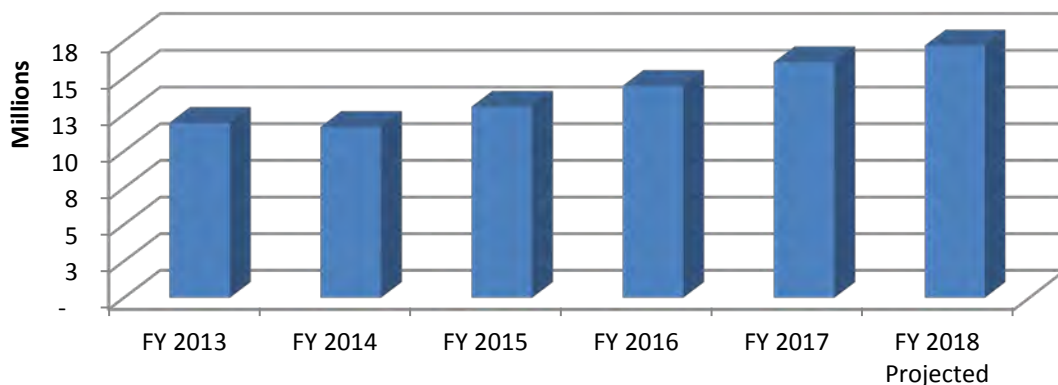
Note: The assigned portion of fund balance represents the subsequent fiscal year's appropriated fund balance. The restricted portions are made up of the stabilization by state statute, downtown municipal service district, public safety special revenue funds and debt service.

Fund Balance Reserve Policy: The North Carolina Local Government Commission (LGC) recommends that all units of government maintain a minimum fund balance in their operating funds of 8% of budgeted expenditures. The town's policy is to maintain a minimum total fund balance reserve that is equivalent to 35% of budgeted expenditures. For the FY 2019 budget year the 35% projected requirement total is \$16,405,100.

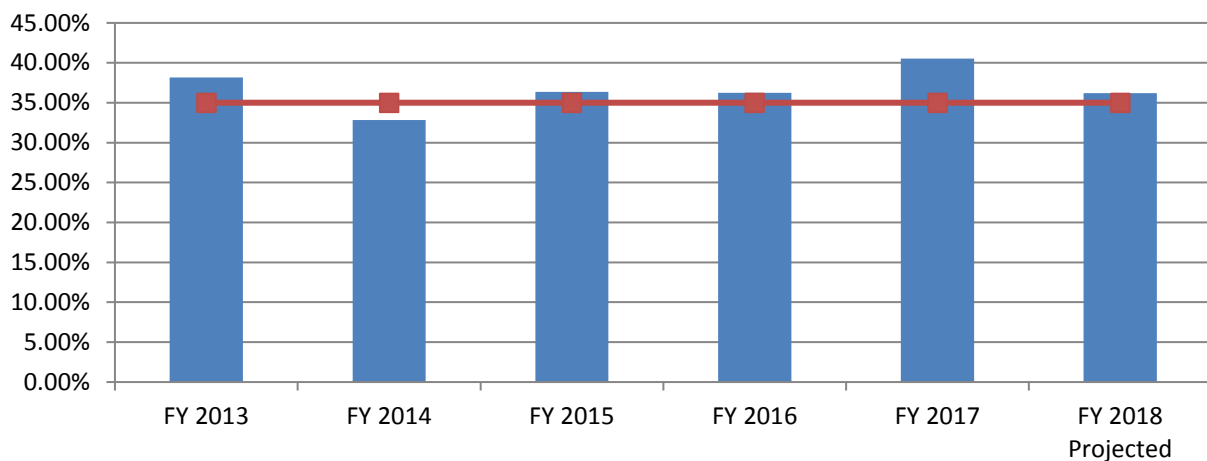
General Fund - Fund Balance

As a result of the effective leadership, prudent spending and conservative budget practices of management the town has been able to successfully maintain a healthy fund balance level. This is apparent when analyzing the town's current financial status. As the economic conditions continue to improve, the town's fund balance levels have followed the same trend. The town continues to perform at or near expected levels.

Total General Fund Fund Balance as an Dollar Value



Total General Fund - Fund Balance as a Percentage compared to Policy Level





TOWN *of*
WAKE FOREST

BOARD OF COMMISSIONERS DEPARTMENT SUMMARY

The Wake Forest Town Board of Commissioners, consisting of a Mayor and five (5) Commissioners, sets policies governing the operations of the Town. Legal services are provided through a contract with a law firm. Also included are funds for contributions to outside agencies such as Resources for Seniors, Wake Forest College Birthplace, Wake Forest Boys and Girls Club and Fourth of July Committee.

PURPOSE STATEMENT

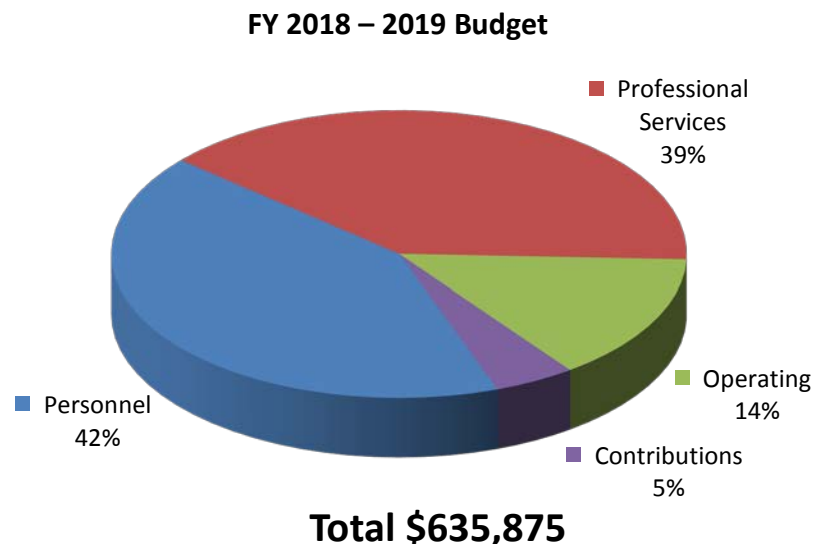
The mission of the elected officials is to provide for the health, safety and welfare of the citizens, while achieving community goals by providing municipal services in a cost effective, customer friendly manner through an open, consensus driven process.

DEPARTMENT SUMMARY

Board of Commissioners	FY 2017 Actual	FY 2018 Budget	2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 230,950	\$ 254,325	\$ 253,724	\$ 281,125	\$ 266,125
Professional Services	298,189	250,000	276,510	300,000	250,000
Operating	83,983	132,325	107,571	88,250	90,750
Contributions	37,406	38,500	29,000	29,500	29,000
Total	\$ 650,529	\$ 675,150	\$ 666,805	\$ 698,875	\$ 635,875

BUDGET HIGHLIGHTS

- ❖ Personnel reflects adjustments in retiree insurance from year to year
- ❖ Legal assistance needed varies from year to year which attributes to the fluctuations in professional services
- ❖ Operating reflects a decrease in costs due to a non-election year
- ❖ Reduction in contributions reflects 4th of July event transitioning to the Town



**Town of Wake Forest
Outside Agency Funding**

AGENCY	DEPARTMENT	AMOUNT
Resources for Seniors, Inc.	Board of Commissioners	\$ 4,000
* Fourth of July	Board of Commissioners	2,500
Wake Forest College Birthplace	Board of Commissioners	4,000
Boys and Girls Club	Board of Commissioners	7,500
Wake Forest Chamber of Commerce	Board of Commissioners	11,000
		-
Total Outside Agencies		\$ 29,000

The amounts proposed show a decrease of \$9,000 from FY 17-18 levels due to the 4th of July event transitioning to the Town.
The amount for the Wake Forest Chamber represents the town's membership at the Community Investor level for FY 2018-2019.

* Amount proposed for Fourth of July includes expenses for the Children's Parade

ADMINISTRATION DEPARTMENT SUMMARY

The Town Manager and his management team provide direction to the remaining staff in implementing policies set by the Board of Commissioners.

PURPOSE STATEMENT

Oversee and direct the day to day operations and general management of the Town of Wake Forest.

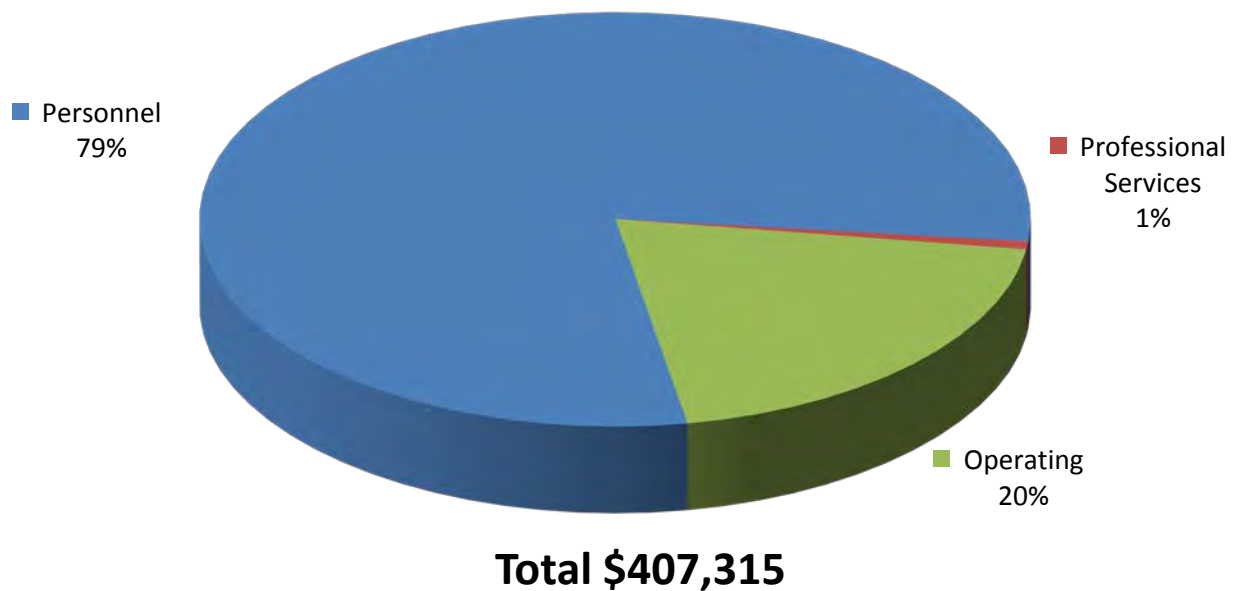
DEPARTMENT SUMMARY

Administration	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 245,944	\$ 324,680	\$ 323,953	\$ 339,980	\$ 323,875
Professional Services	1,200	5,000	-	5,000	2,500
Operating	56,331	79,270	50,860	96,920	80,940
Transfers	276,620	-	-	-	-
Total	\$ 580,095	\$ 408,950	\$ 374,813	\$ 441,900	\$ 407,315

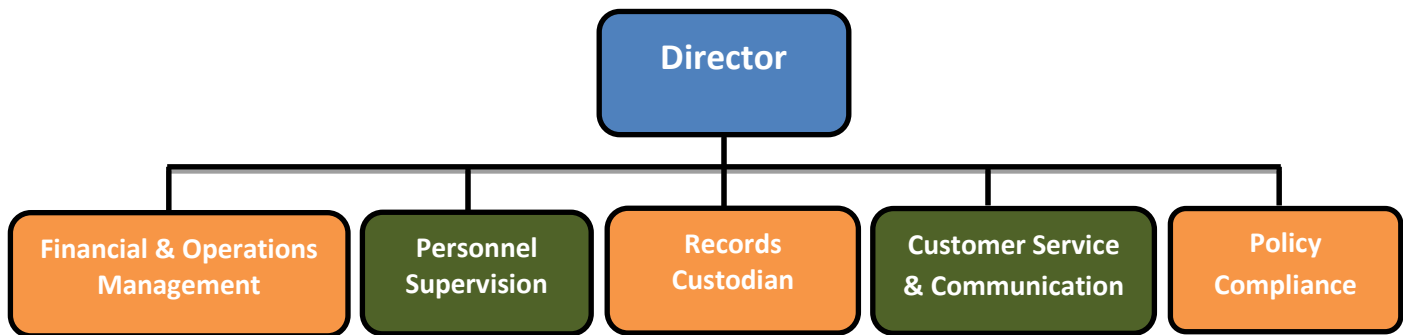
BUDGET HIGHLIGHTS

- ❖ No significant changes – budget slightly less than FY 17-18
- ❖ Minor increase in operating attributed to travel and training costs for staff

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Financial & Operations Management
 - Manage town resources in an effective and efficient manner through responsible budget development and management while accurately forecasting resources available to provide services
 - Reduce the cost of government by implementing innovative business processes and operational efficiencies
 - Oversee the Board of Commissioners policy directives and on-going Town operations
 - Provide assurance of regulatory and policy compliance to ensure trust, accountability and foster transparency
2. Personnel Supervision
 - Use performance management as part of the organizations commitment to accountability, open communication and continuous improvement
3. Records Custodian
 - Maintain and manage government records; administratively support Board of Commissioners, Advisory Boards, Commissions, and Committees for transparent government
4. Customer Service & Communication
 - Deliver courteous, responsive service to external and internal customers, while ensuring timely accurate and effective communication
 - Improve citizen engagement and enhance transparency and accountability to residents
5. Policy Compliance
 - Provide consistent sound and appropriate legal advice to Board of Commissioners and Town staff
 - Efficiently process requests for legal services
 - Review contracts in a timely and proficient manner

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of citizen requests for information	750	854	1,000
Number of ongoing Capital Improvement Projects	57	33	25
Number of open records requests	10	33	10
Number of agendas published	30	21	24
Number of ordinances, resolutions, and proclamations processed	169	152	100
Number of legal services	70	85	75
Number of Board of Commissioners and Planning Board meetings attended	22	19	25

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Completed percentage of measures achieved per the Town's Strategic Plan Goals	80%	76.7%	90%
Percentage of citizen inquiries responded to within 24 hours	86%	93.3%	90%
Percentage of annexations filed and code of ordinance updates within 30 days of approval	43%	78.6%	80%
Percentage of agendas published with no substantial changes from final agenda sent to BOC as compared to version used at the meeting	55%	80%	75%
Percentage of public records requests completed within stated goal of two business days	70%	80%	80%
Provide initial review of all legal requests (including contracts and acquisitions) within stated goal of five business days	70%	70%	85%
Provide response to all legal requests (including contracts and acquisitions) by the designated due date	85%	80%	85%

ECONOMIC DEVELOPMENT DEPARTMENT SUMMARY

The Economic Development Department is responsible for business recruitment and expansion for the Town.

PURPOSE STATEMENT

The Department works to attract and retain new businesses to Wake Forest to increase job opportunities for citizens and increase investment in the community.

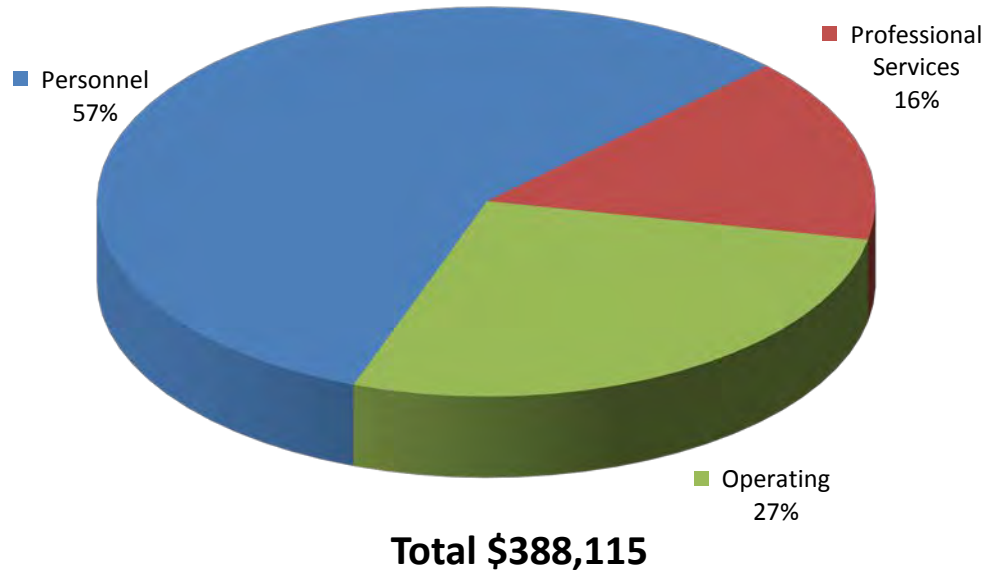
DEPARTMENT SUMMARY

Economic Development	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 161,106	\$ 212,345	\$ 195,364	\$ 232,430	\$ 221,865
Professional Services	39,138	70,000	62,500	72,500	60,000
Operating	29,647	113,330	65,733	164,750	106,250
Total	\$ 229,890	\$ 395,675	\$ 323,597	\$ 469,680	\$ 388,115

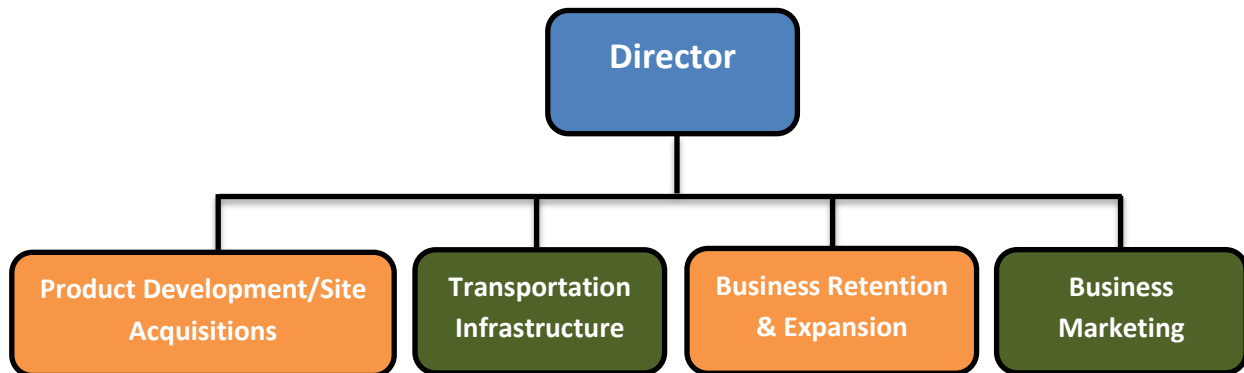
BUDGET HIGHLIGHTS

- ❖ Professional services include funding for engineering/land use planning and market/demand studies
- ❖ Operating remains focused on marketing efforts for business recruitment and expansion within the Town

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Site Acquisition/Technology Park Development
 - Continue pursuit of partnerships, define specific financing models, and determine appropriate sites for technology park development in Wake Forest
 - Activate the new Wake Forest Business & Industry Partnership with a tangible project
 - Support public policy proposals creating resources for site acquisition and/or financing
2. Support Town infrastructure improvements
 - Support development of fiber optic infrastructure by continuing to partner with CTC Fiber, specifically in pursuit of third party investment and development of new fiber infrastructure in Wake Forest
 - Advocate and support NCDOT plans for improvements to Capital Boulevard/US-1 and Ligon Mill Road
 - Maintain and complete necessary updates to Economic Development website
3. Business Recruitment, Retention & Expansion
 - Promptly respond to RFI's on all job creation and development opportunities that match Wake Forest's strengths
 - Conduct regular Business Retention & Expansion (BRE) meetings with existing Wake Forest companies, gaging growth opportunities and pursuing those as necessary
 - Continue partnership with Retail Strategies in an effort to recruit new retail business to Wake Forest
 - Continue partner meetings with regional ED contemporaries, brokers, developers, etc.
 - Establish a small business lending resource for Wake Forest businesses
4. Marketing Wake Forest for business growth and expansion
 - Develop/update data, marketing and other media materials focusing on Wake Forest's strong advanced technology business sector and outstanding quality of life, to include:
 - Short and in-depth Economic Development video
 - Quality of Life print piece
 - Advanced Technology Cluster print piece
 - Professionally-designed Demographic Profile
 - Development of new logo for Wake Forest Economic Development / Wake Forest Business & Industry Partnership

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of research inquiries received	103	56	70
Number of RFI's received	61	52	60
Number of developer/broker/ED partner/project meetings	301	396	300

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of business retention visits completed	31	25	30
Completion of necessary marketing materials	Completed	Completed	6/30/2019
Approval of letter of intent for site acquisition*	Completed	Completed	N/A
Completion of conceptual land-use plan	N/A	N/A	6/30/2019
Percent increase in total assessed value	4.11%	5.85%	5.00%
Advocate & Support planned NCDOT Improvements to US-1 Corridor and Ligon Mill Road	Completed	Completed	6/30/2019

*Approval of letter of intent for site acquisition was completed in FY 17-18

DOWNTOWN DEVELOPMENT DEPARTMENT SUMMARY

The Downtown Development Department is responsible for public relations, business development, and marketing and promotion of the Downtown Renaissance area for the purpose of assisting Downtown Wake Forest in achieving its economic and cultural potential.

PURPOSE STATEMENT

To lead the renaissance of Downtown Wake Forest in achieving its economic and cultural potential.

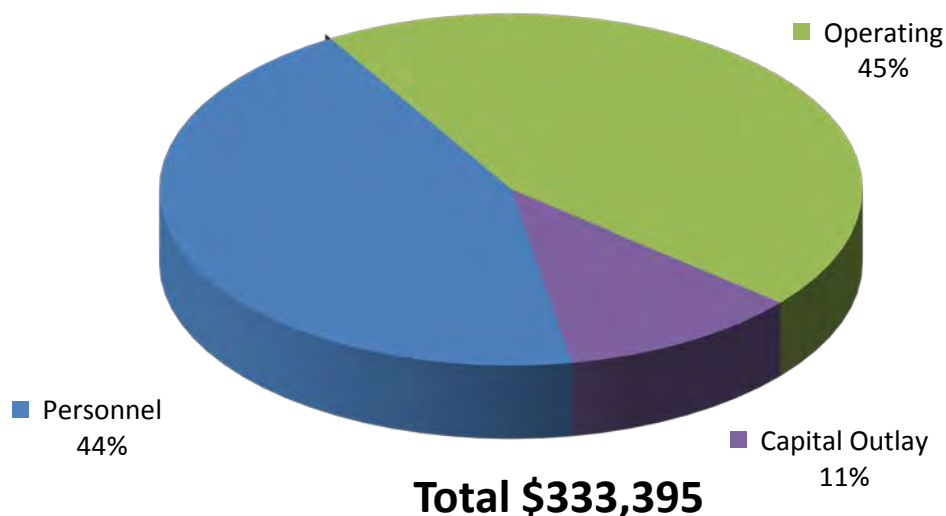
DEPARTMENT SUMMARY

Downtown Development	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 111,368	\$ 138,710	\$ 136,436	\$ 147,355	\$ 147,355
Professional Services	143,479	4,700	4,700	-	-
Operating	-	154,180	128,877	157,240	149,040
Capital Outlay	-	44,500	17,500	37,000	37,000
Total	\$ 254,847	\$ 342,090	\$ 287,513	\$ 341,595	\$ 333,395

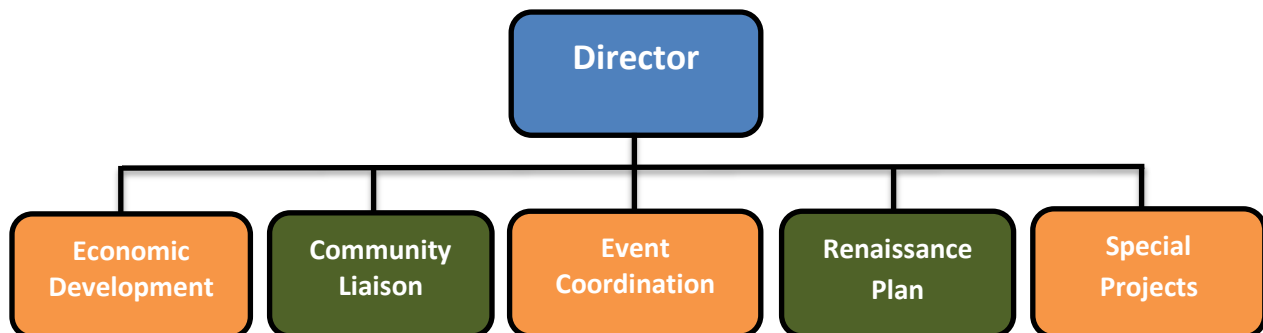
BUDGET HIGHLIGHTS

- ❖ Operating includes increase in special events (FNOW) which is offset by sponsor and vendor revenue
- ❖ Capital outlay includes replacement banners, the installation of lighting in the trees along S. White Street (both projects approved from FY 18 and shifted to FY 19 for completion) and dumpster fencing for the recycling trash receptacle near Wait Avenue

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Make downtown a destination place for the community and surrounding areas
 - Provide programming that draws new visitors of diverse demographics
 - Enhance marketing efforts to reach markets outside of our immediate area
 - Work with business owners to increase their skills in marketing and programming
2. Realize steady growth in mixed use and infill development
 - Continue working with developers, property owners and stakeholders to encourage development
 - Market downtown as a destination for visitors, shoppers, residents
 - Educate property owners on grant programs and design assistance to encourage property improvements
3. Implement the initiatives included in the updated Renaissance Plan
 - Focus on top 10 projects in 5 years
 - Work with various stakeholders and civic organizations to partner on plan initiatives

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of Façade Improvement grants	5	2	4
Number of business prospect meetings	32	30	36
Number of community outreach meetings	74	119	85
Number of business retention visits	65	63	70
Number of Renaissance Area events*	13	31	30
Number of visitors for Renaissance Area events*	76,000	66,978	90,000
Net new business in Renaissance Area	4	3	3
Net new employees in Renaissance Area	26	9	20

* Does not include events/visitors at the Renaissance Centre

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Increase in number of annual visitors	119,268	82,691	150,000
Increase in amount of downtown programming (festivals, arts-related, etc.) cultural amenities	133	172	140
Increase in appraised tax value of the municipal service district	\$52,184,796	\$52,561,606	\$55,000,000
Increase in number of housing units located downtown	245	250	275
Increase in investment in the municipal service district – both public and private*	\$2,117,200	\$430,000	\$2,500,000
Downtown vacancy rate	0.07%	0.07%	2.00%
Percentage of meetings/trainings attended to fulfill the National Main Street Accreditation	100%	100%	100%
Percentage of Wake Forest Downtown, Inc. work plan implemented to fulfill the National Main Street Accreditation	70%	60%	70%

* Current Projects underway but not complete: Stanley Martin Homes, Franklin St. Townes, PowerHouse Row, Tonic, Unwined on White



TOWN *of*
WAKE FOREST

COMMUNICATIONS DEPARTMENT SUMMARY

The Director of Communications and Public Affairs oversees and directs the communications, marketing and public relations functions of the Town.

PURPOSE STATEMENT

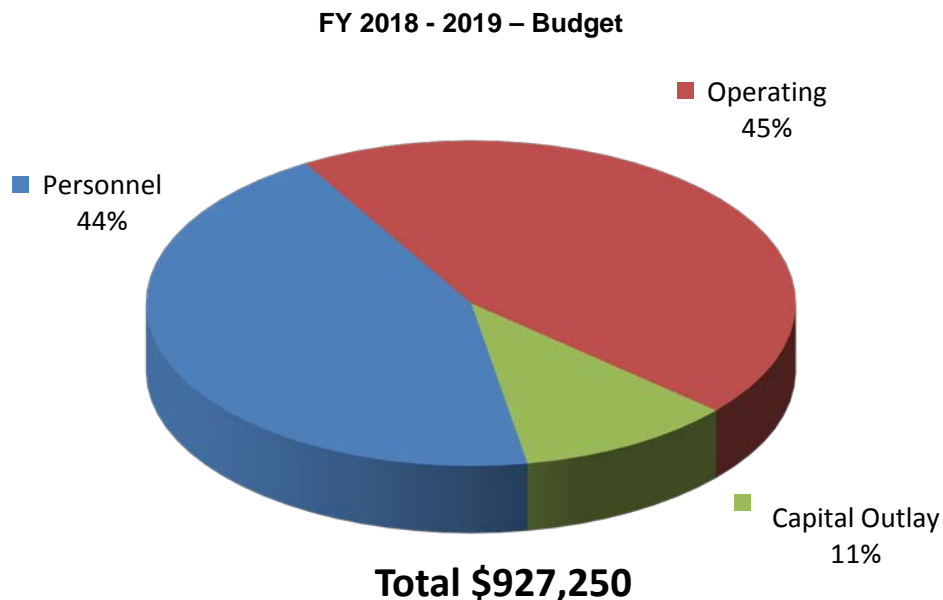
Keep Wake Forest residents informed about town programs and services, as well as the actions of town government.

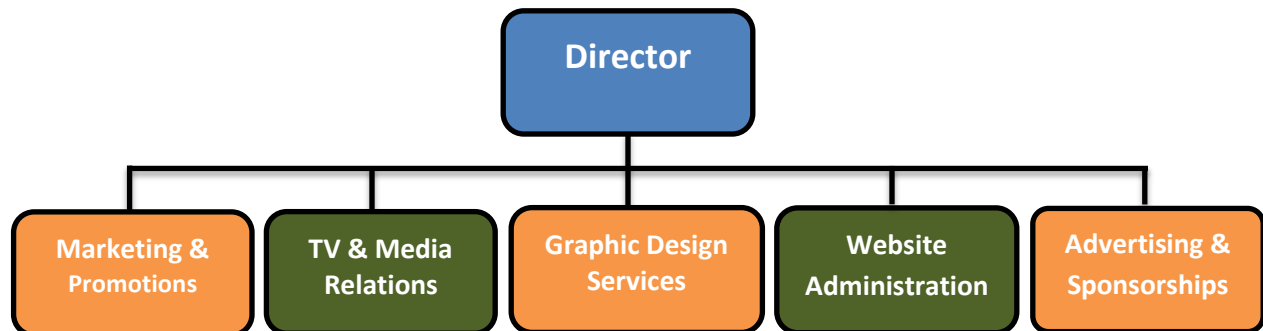
DEPARTMENT SUMMARY

Communications	2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 308,180	\$ 345,905	\$ 340,442	\$ 462,600	\$ 410,275
Operating	332,820	351,145	342,337	426,900	416,975
Capital Outlay	-	-	-	100,000	100,000
Total	\$ 641,000	\$ 697,050	\$ 682,779	\$ 989,500	\$ 927,250

BUDGET HIGHLIGHTS

- ❖ Personnel reflects the addition of salary and benefits for a Marketing and Business Relations Associate position to start January 1
- ❖ Increase in operating is attributed to additional monies for video production, marketing efforts, advertising, and printing The Guide To Wake Forest – Offset by revenues received for advertising and sponsorships
- ❖ Capital Outlay includes audio and visual upgrades to the Board Chambers



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. Increase communication effectiveness of the Town
 - Survey residents on their satisfaction of news letter
 - Survey residents to determine satisfaction of the Town's communication efforts
2. Increase sponsorships of Town events
 - Increase sponsorships of Friday Night on White to provide for surplus funds to increase participation experiences
 - Increase sponsorships for other Town activities
3. Increase Town's fiscal standing through graphic design
 - Use in-house staff for graphic design on at least 75% of all marketing/promotional material
 - Turnaround time for departmental request of no more than 3 days with a first draft

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of email subscribers	12,191	12,632	13,000
Number of Facebook likes	24,898	26,290	27,000
Number of Twitter followers	5,251	6,394	7,000
Number of application downloads	14,568	15,204	16,000
Number of Our Town publications	6	6	6
Total of Friday Night on White Sponsorships	\$93,850	\$80,000	\$80,000
Number of unique website visitors	1,168,013	926,648	1,000,000
Number of press releases	522	397	500
Number of Town-to-citizen notification phone calls	7	8	12
Number of Police department-related media interviews	35	18	20

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Percentage of media inquiries responded to within 24 hours	100%	100%	100%
Percentage of citizen inquiries responded to within 24 hours	100%	100%	100%
Percentage increase in the number of TOWF Facebook likes	9.6%	9.7%	10%
Percentage of residents rating their satisfaction with "Our Town" as "Satisfied" or better	N/A	N/A	90%
Percentage of residents rating their satisfaction with the way TOWF communicates with residents as "Satisfied"	N/A	N/A	90%
Yearly savings of using in-house graphic design staff	N/A	\$9,000	\$100,000
Percentage of sponsorship for downtown events vs. costs (cost recovery)	N/A	37%	50%



TOWN *of*
WAKE FOREST

HUMAN RESOURCES DEPARTMENT SUMMARY

Human Resources Director and staff oversee the personnel and risk management functions of the Town.

PURPOSE STATEMENT

The mission of the Human Resources Department is to provide recruitment, compensation, consultation, workforce development and risk management services to Town of Wake Forest departments so they can effectively and efficiently deliver services to the citizens of Wake Forest.

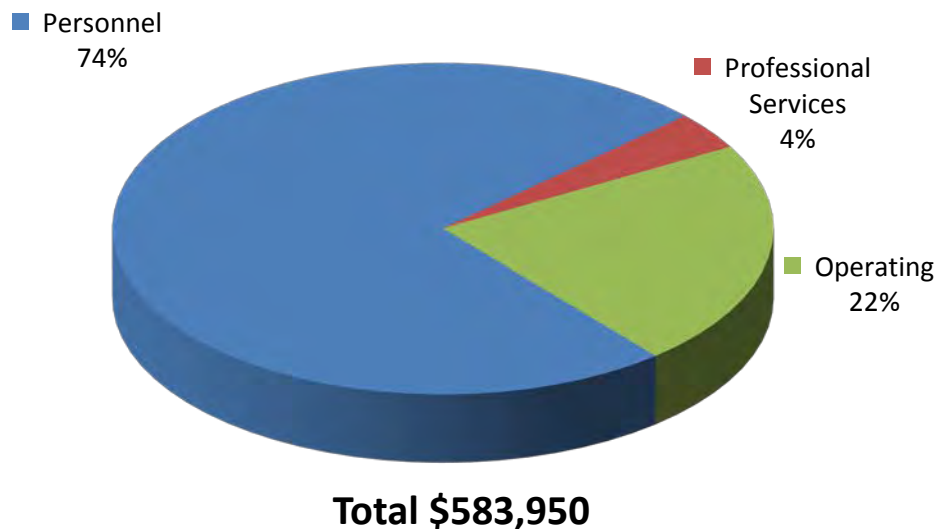
DEPARTMENT SUMMARY

Human Resources	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 339,487	\$ 373,370	\$ 367,975	\$ 451,850	\$ 433,290
Professional Services	7,150	26,500	13,682	34,485	21,550
Operating	174,582	174,415	151,288	203,160	129,110
Capital Outlay	-	-	-	-	-
Debt Service	6,611	-	-	-	-
Total	\$ 527,830	\$ 574,285	\$ 532,945	\$ 689,495	\$ 583,950

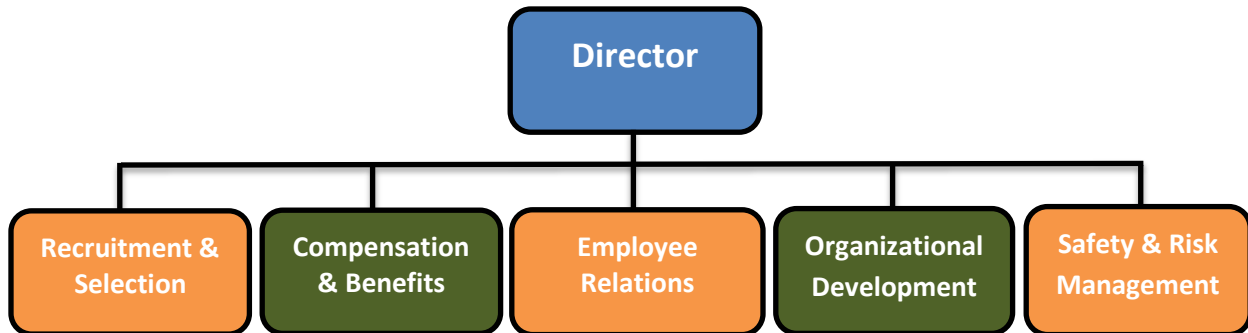
BUDGET HIGHLIGHTS

- ❖ Personnel reflects full year of salary and benefits for Human Resources Consultant position added in FY 17-18
- ❖ Operating costs associated with the online performance management system and a senior leadership team development workshop

FY 2018 - 2019 – Budget



DEPARMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Maintain an organizational culture that reflects our core values
 - Develop a culture of excellent service both internally and externally
 - Be an employer of choice through benefits and working environment
 - Improve communications between HR and our employees
 - Promote a positive work relationship between employees and the organization and with each other regarding equal employment opportunity, fairness and consistency in treatment, and complaint resolution
2. Enhance and promote a safe and connected community
 - Ensure the safety of Town facilities and work-sites by increasing the number of safety inspections and by evaluating facility and site inspection reports to identify and correct hazards and potential hazards
 - Ensure that a system is in place for responding to emergency situations including development of a plan and its implementation
3. Increase efficiency by providing basic human resource processes online, eliminating redundancy, and reliance on paper
 - Utilize Halogen TalentSpace modules including performance evaluations, learning, and 1:1 meeting to eliminate paper filings and encourage more in person coaching and development of staff
 - Use social media and an online applicant tracking system that will allow for a searchable candidate database, resume parsing, and tools for email-based requisition and approvals

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of applications received and processed	887	917	1,500
Number of new hires on boarded	67	43	60
Number of employees trained	196	232	260
Number of workers compensation claims processed	20	15	20
Number of performance evaluations processed	113	239	260
Number of Family Medical Leave Act applications processed	22	33	45

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Survey the organization at least once every two years*	100%	100%	N/A
Percentage of employees completing training	N/A	60%	70%
Percentage of employees rating HR services satisfactory or better	100%	100%	100%
Number of health assessment surveys conducted	195	232	235
Percentage of employees rating HR as responsive or very responsive	N/A	80%	80%
Percentage of complaints resolved within 30 days	100%	100%	100%
Percentage of Town facilities inspected	48%	19%	45%
Reduce redundant systems and associated paper transactions for day-to-day management activities by providing online workforce tools and information by the end of the fiscal year	45%	68%	50%

* Next survey to be completed in FY 2020



TOWN *of*
WAKE FOREST

FINANCE DEPARTMENT SUMMARY

The Finance Department is responsible for maintaining and administering the Town's fiscal operations in accordance with generally accepted accounting principles and North Carolina's General Statutes.

PURPOSE STATEMENT

Manage town funds in accordance with the Local Government Budget and Fiscal Control Act, applicable state and federal regulations, and sound principles of accounting and cash management.

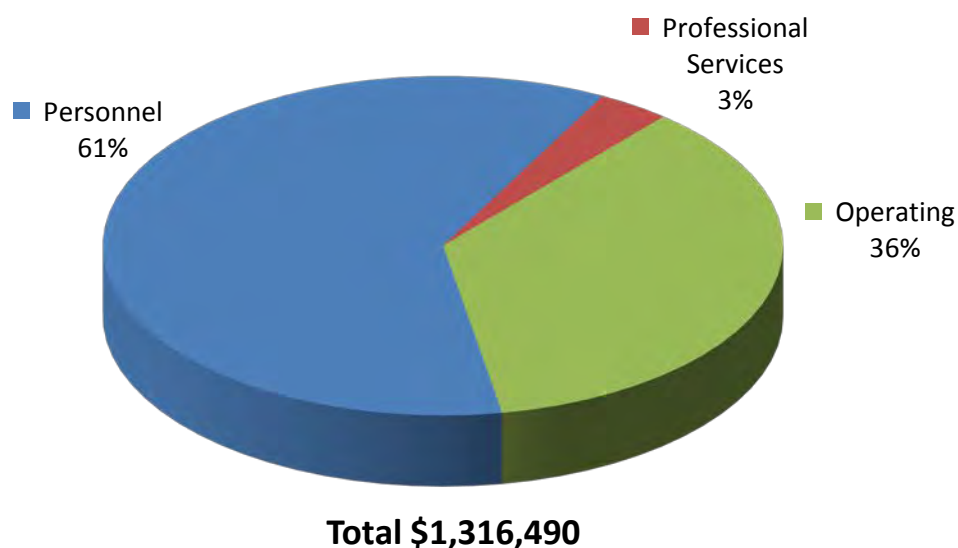
DEPARTMENT SUMMARY

Finance	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 747,086	\$ 807,955	\$ 815,172	\$ 857,120	\$ 797,235
Professional Services	45,948	56,800	57,850	70,500	45,500
Operating	406,334	445,690	414,204	530,605	473,755
Capital Outlay	16,500	28,500	28,011	-	-
Debt Service	-	-	-	-	-
Total	\$ 1,215,868	\$ 1,338,945	\$ 1,315,237	\$ 1,458,225	\$ 1,316,490

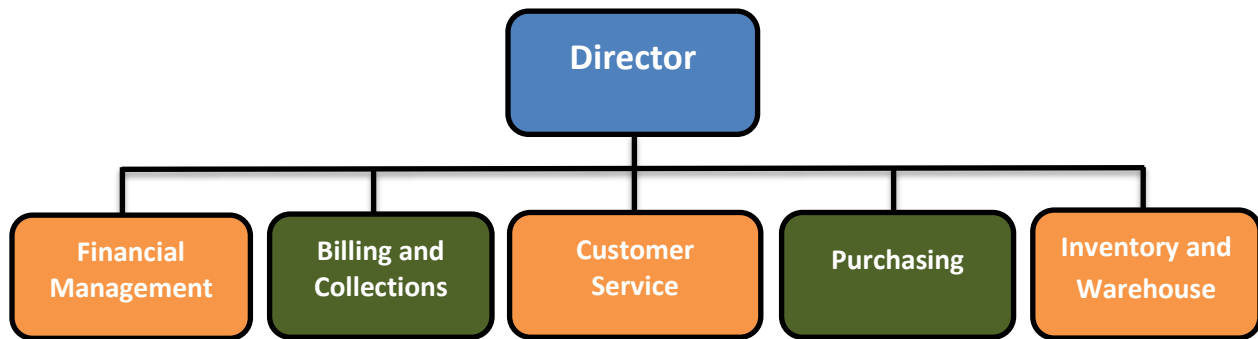
BUDGET HIGHLIGHTS

- ❖ Allocated personnel costs to Electric increased to reflect actual time spent on Electric attributing to the decrease in personnel costs
- ❖ Funds included in professional services for annual external audit
- ❖ Increase in operating attributed to additional tax collection services, travel/training, and software

FY 2018 - 2019 Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Provide accurate financial information in a timely manner to the Board of Commissioners, Department Directors and respective external agencies (LGC, rating agencies, etc.) to comply with statutory and regulatory requirements as well as governmental accounting standards
 - Close the monthly general ledger within 15 business days of month end
 - Submit monthly financial summary to Board of Commissioners and Department Directors by first Tuesday each month
 - Submit audited CAFR to regulatory agencies by regulatory deadlines (October 31)
 - Present CAFR to Board of Commissioners by November regular meeting
 - Prepare Citizens Annual Financial Report (PAFR) by December
 - Earn the Certificate of Excellence in Financial Reporting from the Government Finance Officers Association
2. Provide timely and accurate budget and performance information to the Board of Commissioners, management, external agencies and the citizens to ensure the effective use of Town resources
 - Present proposed Annual Operating Budget to Board of Commissioners by May work session
 - Earn the Distinguished Budget Presentation Award from the Government Finance Officers Association
 - Project town department budgets and fund budgets at or below projections
 - Invest in town's infrastructure by updating five-year Capital Improvements Plan
 - Update debt issuance plan every two years
3. Manage town resources in a prudent and efficient manner
 - Maintain highest possible credit ratings from all rating agencies
 - Process each biweekly payroll on time
 - Ensure all balance sheet general ledger accounts are maintained accurately
 - Pay 85% of all invoices within 30 days of invoice date
 - Post utility and all other payments accurately
 - Generate utility bills accurately and timely on each of the 3 monthly cycle dates
4. Provide excellent internal and external customer service
 - Complete utility customer service requests within two business days
 - Provide warehouse inventory products 95% of the time upon request
 - Complete purchasing cycle (requisition to PO) for 85% of purchase (goods and services) within 5 business days

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of electric meters/customers	5,993	6,154	6,300
Number of prepay (pay as you go) electric customers	234	311	375
Average monthly number of eSuite card transactions	2,532	2,772	3,000
Average monthly amount of eSuite card transactions	\$ 464,085	\$ 576,964	\$605,000
Amount of accounts payable disbursement	\$ 26,232,742	\$20,261,292	\$25,000,000
Amount of ePayables disbursement	\$ 1,668,371	\$1,024,292	\$1,250,000
Amount of invoices paid with a credit card	\$ 3,546,812	\$2,851,838	\$3,500,000
Number of invoices paid	4,895	4,007	5,500
Number of informal quotes	336	179	350
Number of purchase orders issued	853	676	950
Total amount received from items sold on GovDeals	\$ 188,556	\$115,197	\$90,000

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Receipt of Certificate of Excellence in Financial Reporting:			
- CAFR	Yes	TBD	Yes
- PAFR	N/A	TBD	Yes
Monthly close – number of months closed by the 15 th business day	4 of 12	2 of 9	10 of 12
Monthly financial summaries submitted out of 12 months by first Tuesday	7 of 9	9 of 9	12 of 12
Receipt of GFOA Distinguished Budget Presentation award	Yes	Yes	Yes
Percentage of departments at or below approved funding	100%	100%	100%
Percentage of requested CIP projects approved for funding	70%	TBD	100%
Debt ratios in compliance with policy:			
- 15% of debt service expenditures to governmental fund expenditures	9.7%	12%	15%
- 2% of net debt to assessed value	0.9%	0.9%	1.5%
Current credit ratings: S & P – AAA; Moody's – Aa1	AAA/Aa1	AAA/Aa1	AAA/Aaa
Obtain credit rating from Fitch	N/A	TBD	AAA
Percentage of payrolls processed on time (internal deadline)	83%	100%	100%
Percentage of general ledger accounts reconciled quarterly	100%	100%	100%
Average number of general ledger accounts reconciled quarterly	171	175	180
Percentage of invoices paid within 30 days	84.4%	87.5%	90%
Percentage of payments posted accurately by Customer Service representatives	99%	99.8%	99%
Percentage of utility bills processed on time	100%	100%	99%
Percentage of customer service requests within 2 business days	99%	99.5%	99%
Warehouse stock item availability	N/A	100%	95%
Percentage of purchase orders issued within 5 business days	N/A	55.5%	85%
Percentage of surplus items sold within 25 days of being declared surplus by the Town manager or Board of Commissioners, if required	N/A	53.4%	85%

INFORMATION TECHNOLOGY DEPARTMENT SUMMARY

DEPARTMENT OVERVIEW

The Information Technology Department is responsible for administrating and maintaining the Town's information technology (IT) and geographic information system (GIS) resources. Department staff provides quality, responsive and cost effective IT solutions and services that enable Town departments to be successful in achieving their respective goals.

PURPOSE STATEMENT

Provide the highest quality computer and communication services to all Town departments and the citizens of Wake Forest.

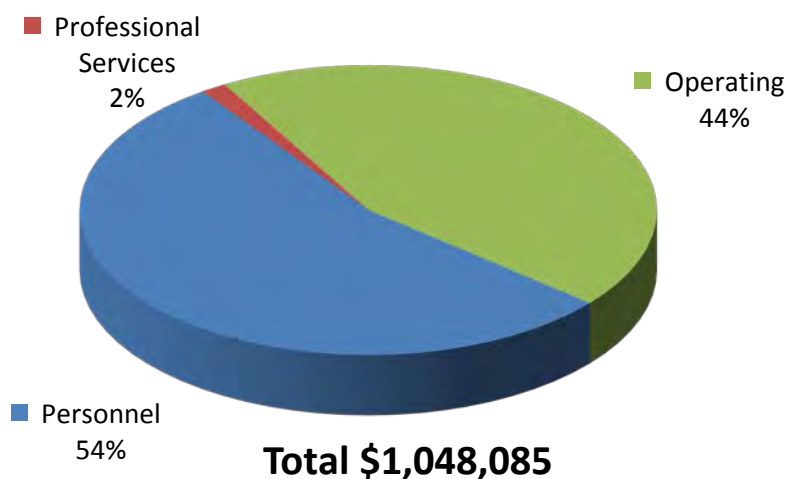
DEPARTMENT SUMMARY

Information Technology	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 555,291	\$ 628,340	\$ 601,245	\$ 654,580	\$ 567,515
Professional Services	36,351	65,000	32,000	65,000	15,000
Operating	354,175	393,145	366,308	485,070	465,570
Capital Outlay	129,186	365,000	275,000	1,685,000	-
Total	\$ 1,075,004	\$ 1,451,485	\$ 1,274,553	\$ 2,889,650	\$ 1,048,085

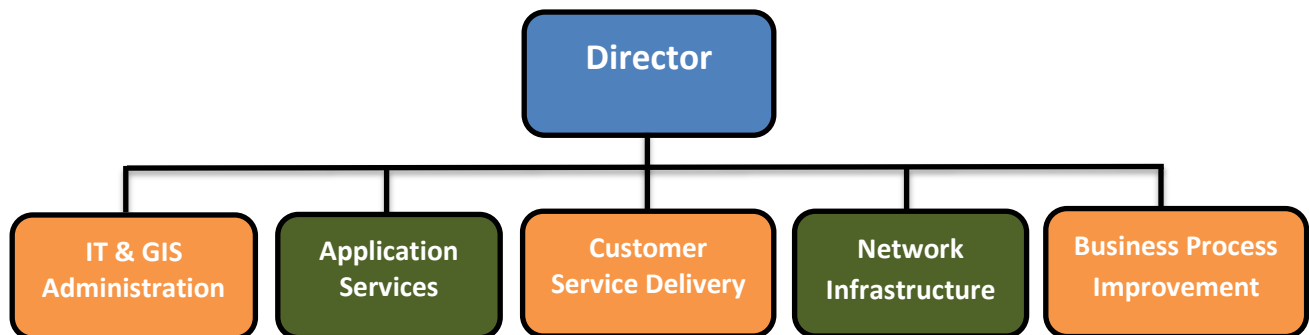
BUDGET HIGHLIGHTS

- ❖ Personnel allocated costs have been accounted for in Electric Fund based on estimated time spent on Electric technology issues
- ❖ Increase in operating is attributed to Office 365 and Share Point platforms hosted in cloud environment

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Plan and deliver integrated information services to enable customers to have access to information resources when and where they need it
 - Provide access to information and services for all staff and appropriate third parties
 - Upgrade VoIP technology to improve the delivery of voice communications and replace the aging phone system
 - Research and provide advanced online services to enhance the Town's presence in a way that will meet our community's changing needs
2. Meet or exceed customer requirements for technology service delivery
 - Evaluate and implement technologies that ensure availability of information resources
 - Expand and enhance technology support tools to meet customer's current needs and expectations
 - Obtain feedback from users on satisfaction levels with services and implement changes accordingly
3. Leverage existing and emerging technologies to improve, and streamline business processes.
 - Evaluate business processes and identify efficiencies that could be gained by leveraging the use of existing or emerging technologies
 - Partner with Town departments to identify existing and emerging technologies that will enhance business processes
4. Ensure the integrity, reliability and appropriate use of information resources
 - Evaluate and maintain the existing security program and services to align with best practices or local/state/federal guidelines
 - Evaluate and implement security technologies to ensure the privacy and integrity of information resources
 - Enhance security awareness program for the Town staff

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Total number of service tickets completed	1,930	1,492	1,700
Open data portal datasets (Total)	23	30	36
Number of workstations/laptops replaced per cycle	72	38	70
Number of network/server systems/refresh	25	11	5

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Percentage of network infrastructure availability during production time	99%	99%	99%
Percentage of network hardware that is less than 5 years old	95%	95%	95%
Percentage of application services availability during production time	99%	99%	99%
Percentage of PC systems less than 5 years old	98%	98%	95%
Percentage of completed annual training plans for IT staff	80%	30%	100%
Establish SLAs and report on percentage achieved	95%	86%	90%
Percentage of satisfied customers with IT support	95%	95%	95%
Percentage of completed CIP projects on time and within budget	100%	50%	100%
Number of new services or upgraded services provided in partnership per year	10	4	4
Percentage of IT security requests for account termination that are handled within 4 hours	98%	99%	100%
Percentage of networking security appliances and software that are current and up to date	98%	99%	99%
Percentage of completed tickets closed (less than 1 day)	32%	28%	33%
Percentage of completed tickets closed (between 2-5 days)	27%	39%	37%
Percentage of completed tickets closed (more than 5 days)	41%	33%	30%

INSPECTIONS DEPARTMENT SUMMARY

The Inspections Department is responsible for building inspections and code enforcement. The department oversees code enforcement, minimum housing and fire inspection.

PURPOSE STATEMENT

Promote the health, safety and welfare of the citizens of Wake Forest, through the uniform enforcement of the North Carolina State Building and Fire Prevention Codes and local ordinances.

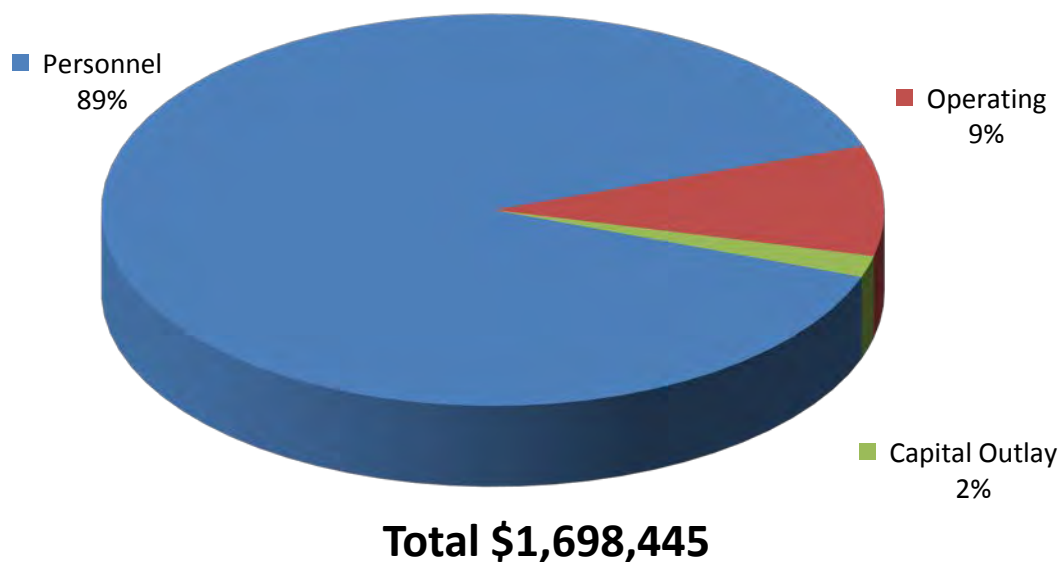
DEPARTMENT SUMMARY

Inspections	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 1,284,486	\$ 1,400,735	\$ 1,380,632	\$ 1,516,175	\$ 1,514,090
Operating	99,227	148,140	105,403	158,155	154,355
Capital Outlay	50,670	63,130	61,220	30,000	30,000
Debt Service	10,018	-	-	-	-
Total	\$ 1,444,400	\$ 1,612,005	\$ 1,547,255	\$ 1,704,330	\$ 1,698,445

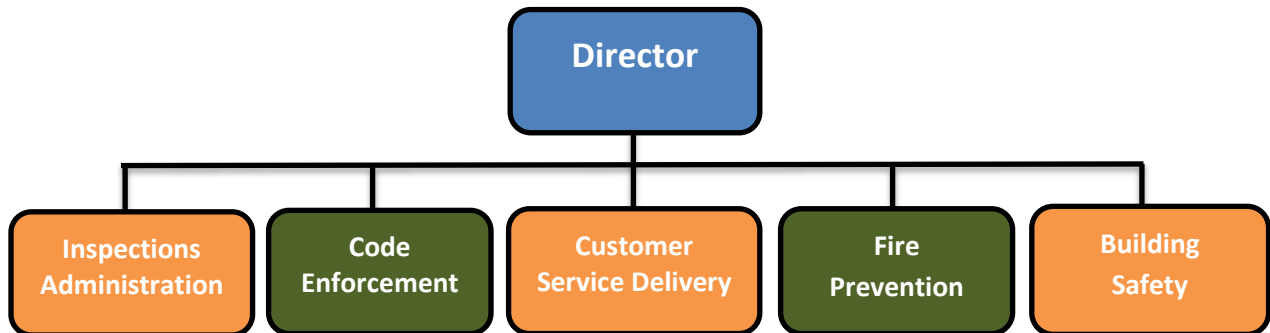
BUDGET HIGHLIGHTS

- ❖ Personnel reflects full salary and benefits for an additional CEO position added in FY 17-18
- ❖ Capital Outlay reflects an additional vehicle request included in the CIP update

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Improve department efficiency and provide a high level of customer service while conducting inspections as required by the North Carolina Administration Code and performing plan review as part of the departments permitting process
 - Provide same day permit issuance for single trade permits
 - Provide online capability for submittals and payment
 - Promote and provide a means of electronic plan submittal for small residential projects (decks, renovations, etc.)
 - Provide accurate and accelerated residential plan review
 - Provide inspections in a timely manner as required by House Bill 255 and performed at the highest quality
2. Ensure safe commercial/multi-family structures according to the NC State Fire Code throughout The Town of Wake Forest and the extraterritorial jurisdiction (ETJ)
 - Comply with the state mandated inspection schedule for periodic inspections
 - Provide safer structures by lowering the number of violations
3. Provide the best overall customer service to the contractors and citizens of Wake Forest
 - Surveys to be distributed by email, handed out in the field and at the customer service counter

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of inspections performed	17,266	15,708	18,000
Number of plans reviewed	2,037	1,584	1,800
Number of permits issued	2,363	1,866	2,000
Number of phone calls received by Inspection Technicians	8,914	6,697	7,000
Number of continuing education hours and training	1,246	695	900

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Provide same day permit issuance for single trade permits	77%	74%	90%
Provide online capability for submittals and payment	81.4%	82.6%	90%
Promote and provide a means of electronic plan submittal for small residential projects (decks, renovations, etc.)	14%	21%	50%
Complete 1 st time submittals for SFD within 5 business days	99%	61.9%	90%
Complete re-review submittals for SFD within 3 business days	100%	76.4%	95%
Complete small residential project (decks, renovations, etc.) reviews within 3 business days	100%	73.2%	90%
Maintain same day permit approval through express review for small residential projects	100%	100%	100%
Provide plan review QA rating (1 per week)	N/A	98.2%	95%
Completion of next day inspections	99.8%	99.9%	98%
Complete scheduled inspection within 48 hours	99%	99.9%	100%
Investigate complaints within 3 business days	100%	100%	100%
Field Inspector identifies code violations accurately	N/A	N/A	90%
Fire Inspections, complete all 1 year occupancies	100%	100%	100%
Fire Inspections, complete all 2 year occupancies	100%	100%	100%
Fire Inspections, complete all 3 year occupancies	100%	100%	100%
Overall rating of customer satisfaction	99.6%	99.6%	90%

PUBLIC FACILITIES MANAGEMENT DEPARTMENT SUMMARY

Public Facilities provides proactive and reactive maintenance along with housekeeping of municipal buildings and facilities.

PURPOSE STATEMENT

Honoring our commitment to being C.I.V.I.C. leaders while providing efficient, safe, and aesthetically pleasing facilities for citizens and employees of Wake Forest

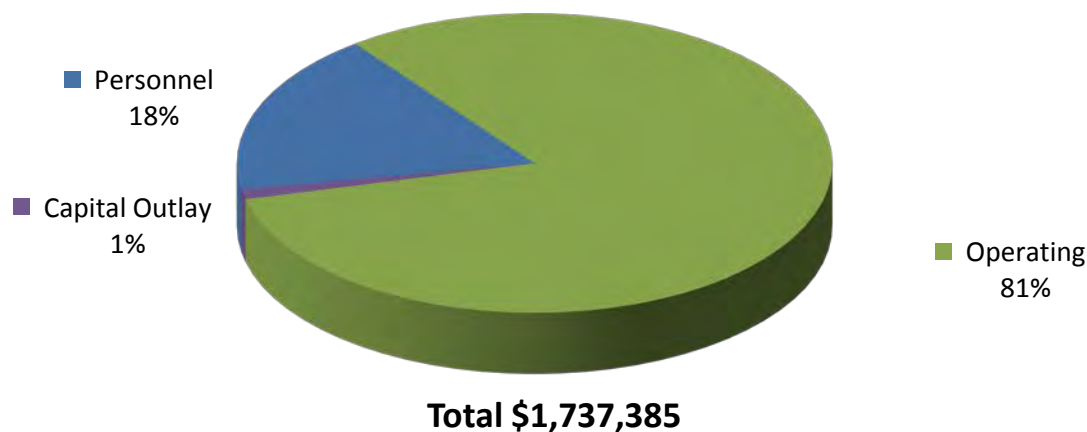
DEPARTMENT SUMMARY

Public Facilities	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 232,188	\$ 283,355	\$ 266,034	\$ 305,140	\$ 303,685
Professional Services	-	-	-	-	-
Operating	1,175,364	1,376,380	1,259,981	1,574,800	1,414,700
Capital Outlay	541,554	142,500	1,660,111	3,551,500	19,000
Debt Service	1,231,154	-	-	-	-
Transfers	253,300	-	-	-	-
Total	\$ 3,433,560	\$ 1,802,235	\$ 3,186,126	\$ 5,431,440	\$ 1,737,385

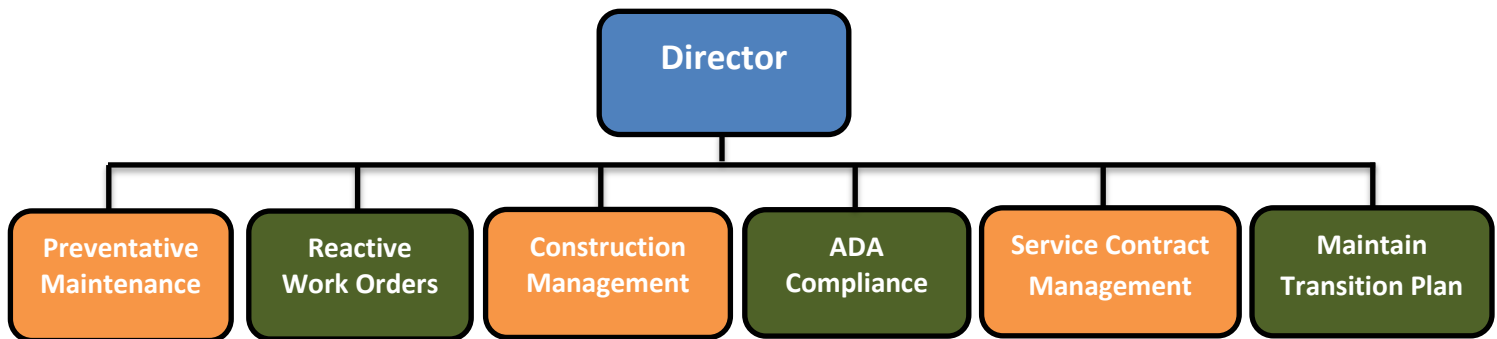
BUDGET HIGHLIGHTS

- ❖ Personnel reflects a full year of salary and benefits for the Public Facilities Specialist added in FY 17-18
- ❖ Operating reflects an increased due to contract service agreement for the Operations Center Administration Building maintenance
- ❖ Capital outlay includes parking lot maintenance at Flaherty Park and a welder/generator for a vehicle purchased in FY 17-18
- ❖ FY 2018 Projected reflects purchase of SunTrust Building for \$1.5 million

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Administer capital projects of Town of Wake Forest
 - Ensure projects are completed on time and within budget
 - Prevent unexpected change orders
2. Provide prompt satisfactory customer service to Town employees and citizens
 - Complete reactive work orders within 5 days
 - Complete preventative maintenance work orders within 28 days
 - Reduce annual reactive work orders
3. Maintain transition plan as required per the Americans with Disabilities Act
 - Budget and plan accordingly for annual items
 - Communicate with all departments to ensure standards are being met
 - Update transition plan annually

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of preventative maintenance work orders completed	1,800	1,422	2,000
Number of reactive work order completed	394	347	350
Number of capital projects started	3	N/A	1
Number of capital projects completed	0	In Progress	1
Number of ADA assessments completed	8	7	10

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Reactive work orders completed in 5 days	87%	91%	95%
Proactive work orders completed in 28 days	92%	98%	95%
Reduced number of reactive vs preventative work orders	36%	21%	5%
Survey work requestors for satisfactory rating	N/A	100%	100%
Percentage of projects completed within budget	N/A	N/A	100%
Percentage of Town inventory that meets ADA compliance	70%	70%	85%



TOWN *of*
WAKE FOREST

PLANNING DEPARTMENT SUMMARY

Staff provides development and maintenance of land management documents including Unified Development Ordinance and Community Plan; review of construction and land development; code enforcement and support to the Planning Board, Board of Adjustment, Historic Preservation Commission, Design Review Board and the Greenways Advisory Board.

PURPOSE STATEMENT

Assist in the improvement of the quality of life and the built environment, and to facilitate the accessibility of services and opportunities within the Town of Wake Forest through comprehensive planning and action.

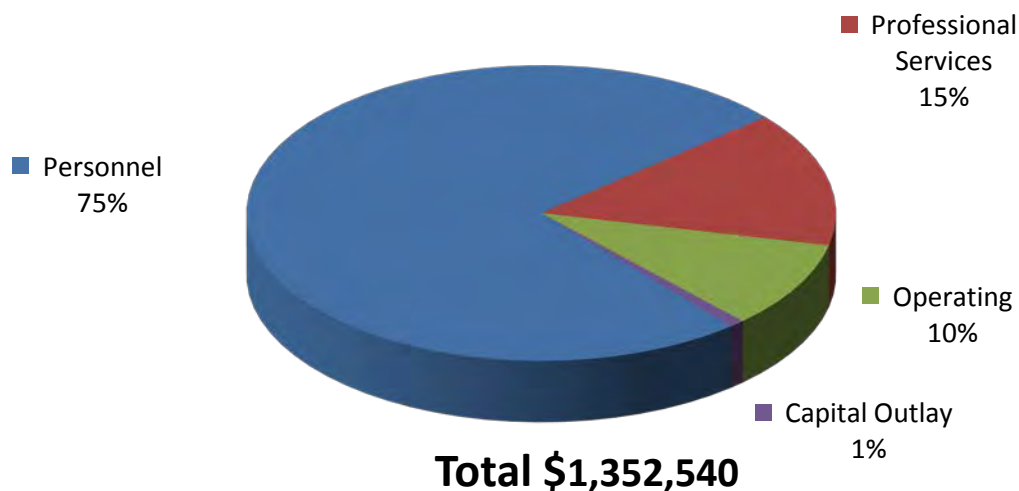
DEPARTMENT SUMMARY

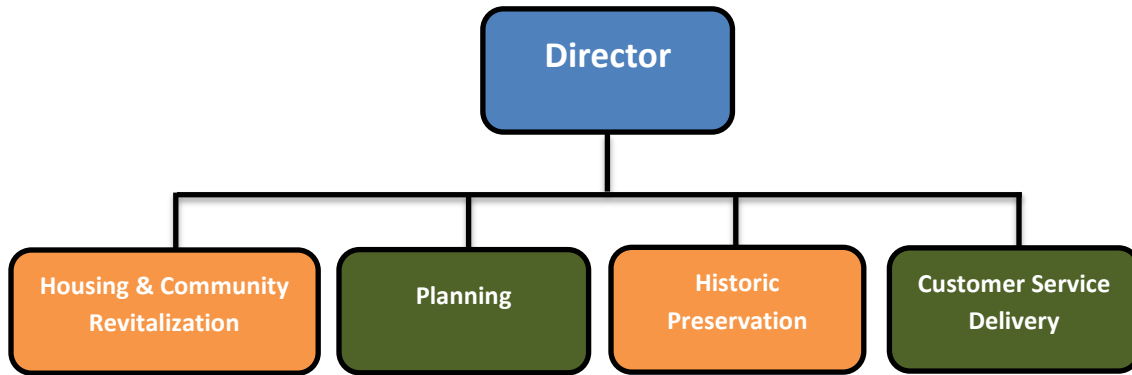
Planning	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2018 Requested	FY 2019 Proposed
Personnel	\$ 733,025	\$ 925,810	\$ 844,681	\$ 1,042,055	\$ 1,012,285
Professional Services	\$ 96,880	206,225	115,000	320,000	200,000
Operating	118,255	160,640	147,533	132,597	128,805
Capital Outlay	-	20,000	20,000	13,018	11,450
Debt Service	5,506	-	-	-	-
Transfers	-	-	-	-	-
Total	\$ 953,667	\$ 1,312,675	\$ 1,127,214	\$ 1,507,670	\$ 1,352,540

BUDGET HIGHLIGHTS

- ❖ Personnel reflects an increase due to converting the Zoning Compliance Officer from part-time to full-time
- ❖ Professional services includes funds for the update of land use and transportation plans
- ❖ Capital outlay includes a new plotter for printing and scanning large documents

FY 2018 – 2019 – Budget



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. Provide excellent customer service through timely review of development applications
 - The Development Services section of the Planning Department will return initial comments on development applications with 3 weeks of application submission
 - The Development Services section of the Planning Department will review and approve development permit applications in 5 working days
 - Development applications should be ready for approval or Public Hearing after two staff reviews.
2. Enhance pedestrian mobility to provide citizens a viable option of walking to shop, play, and work.
 - Increase and enhance access to community
 - Increase the annual number of households that have access to destinations within walking distance along the transportation network by 25%
3. To promote the educational, cultural, and economic welfare of Wake Forest by preserving landmarks as visible reminders of the historic, architectural and cultural heritage of the Town
 - Increase opportunities for public awareness and education about the historic districts and properties in Wake Forest
 - Provide timely response to property owners and applicants within five business days of receiving project information or inquiry

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of development permits issued	1,269	1,051	1,000
Number of master plan reviews performed	25	26	30
Number of construction plan reviews performed	44	26	30
Number of final plat reviews performed	115	57	80
Number of architectural design reviews performed	42	26	40
Number of sign permits issued	153	109	130
Number of rezoning petitions reviewed and processed	13	12	12
Number of major site plan review applications reviewed and processed	25	15	15
Number of ordinance/code violations cited and abated	120	51	120
Number of verification letters issued	16	23	30
Number of annexation petitions processed	12	7	10
Number of opportunities (programs, workshops, and district tours)	N/A	9	15
Number of annual participants in programs, workshops, and district tours	N/A	108	150

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Percentage of first submittals receiving initial comments to TRC within 4 weeks	10%	25%	80%
Percentage of resubmittals receiving comments within 3 weeks	25%	28.3%	80%
Percentage of development permit applications approved within 5 days	75%	88.3%	90%
Overall customer service rating	N/A	N/A	85%
Percentage of applications updated annually	N/A	33.3%	80%

ENGINEERING DEPARTMENT SUMMARY

The Engineering Department is responsible for plan review, design work and construction inspection.

PURPOSE STATEMENT

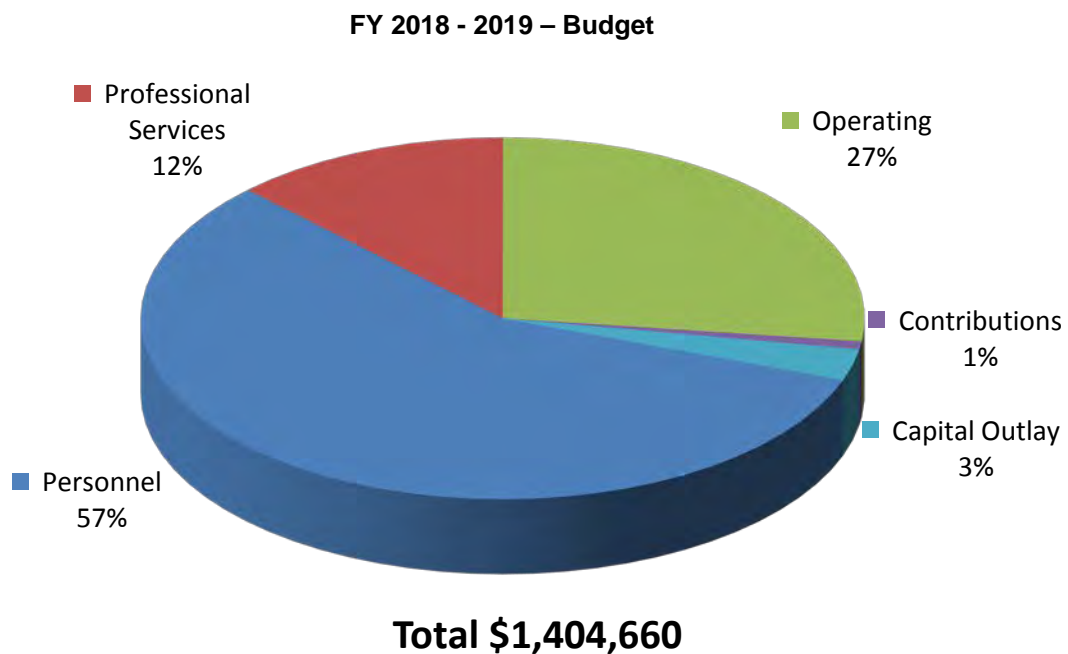
Ensure the safe and sound design and construction of the town's infrastructure.

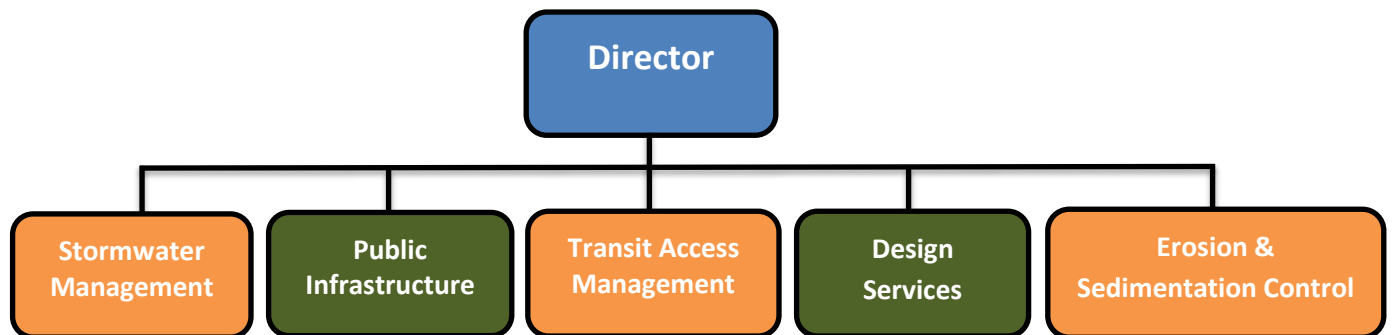
DEPARTMENT SUMMARY

Engineering	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 690,088	\$ 732,900	\$ 726,157	\$ 803,240	\$ 800,655
Professional Services	44,408	115,000	91,730	466,600	175,000
Operating	362,267	375,300	348,573	475,605	379,505
Contributions	10,000	10,000	10,000	10,000	10,000
Capital Outlay	144,002	35,000	29,300	1,096,500	39,500
Total	\$ 1,250,764	\$ 1,268,200	\$ 1,205,760	\$ 2,851,945	\$ 1,404,660

BUDGET HIGHLIGHTS

- ❖ Funds included in professional services for annual street maintenance program and continuation of the storm sewer inventory update
- ❖ Capital includes a replacement vehicle for a Construction Inspector



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. Provide prompt, excellent, customer service
 - Prompt review of development plans
 - Respond to storm water complaints within 3 days
 - Survey customers on services provided
2. Ensure that the Town has a sound transportation network
 - Administering the annual street maintenance Program
 - Progress on the uncompleted street connections
 - Increasing and/or promoting bus service
3. Protect the water quality of the natural environment
 - Keep any new water course off of the State's 303 (d) List
 - Educate public on environmental issues
 - Complete inventory of Town's stormwater infrastructure

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Completed design of projects	2	In Progress	2
Number of reviewed and approved master plans	1	8	15
Number of reviewed and approved erosion control plans	16	24	100
Number of acres under permit covering total acres	274	88	1,500
Number of reviewed and approved traffic studies from private development	8	8	8
Number of erosion control inspections conducted	1,157	1,257	1,750
Number of residential or commercial inspections conducted	1,581	1,730	2,000

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Overall customer satisfaction rating	N/A	N/A	95%
Number of inspections performed within 24 hours	100%	100%	100%
Percentage of complaints addressed after initial contact within 3 days	100%	98.3%	100%
Percentage of first round of CD plan review comments within 30 days	98.4%	99.5%	100%
Percentage of second round CD comments within 14 days	100%	100%	100%
Percentage of streets from rehab list identified	N/A	In Progress	60%
Street connections from board list completed	N/A	In Progress	2
Street connections designed in-house (hope to increase in future)	0	0	1
Building the stormwater inventory annually	0%	0%	10%
Percentage of engineering projects performed in-house	50%	10%	10%
Grants applied for stream restoration projects/SCM's (annually)	6	0	3
Increase citizen environmental education workshops (annually)	4	0	4
Increase community partnership and education sessions in local schools by discussing water, greenway, and transportation issues:			
- Elementary	0	0	2
- Middle	2	3	2
- High	3	3	2
- Charter	1	2	2
- Other – business, group, volunteers	2	3	2

PUBLIC SAFETY DEPARTMENT SUMMARY

The Public Safety Department is responsible for the protection of life and property, traffic control and enforcement, criminal investigation, and enforcement of local and state criminal law. Fire services are provided through a contract with the Wake Forest Fire Department.

PURPOSE STATEMENT

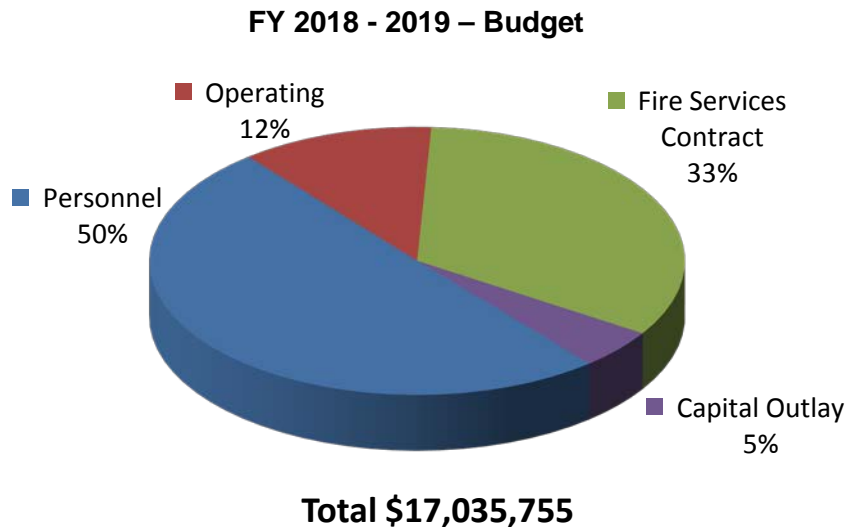
To affirmatively promote, preserve and protect the safety and security of all citizens of the community.

DEPARTMENT SUMMARY

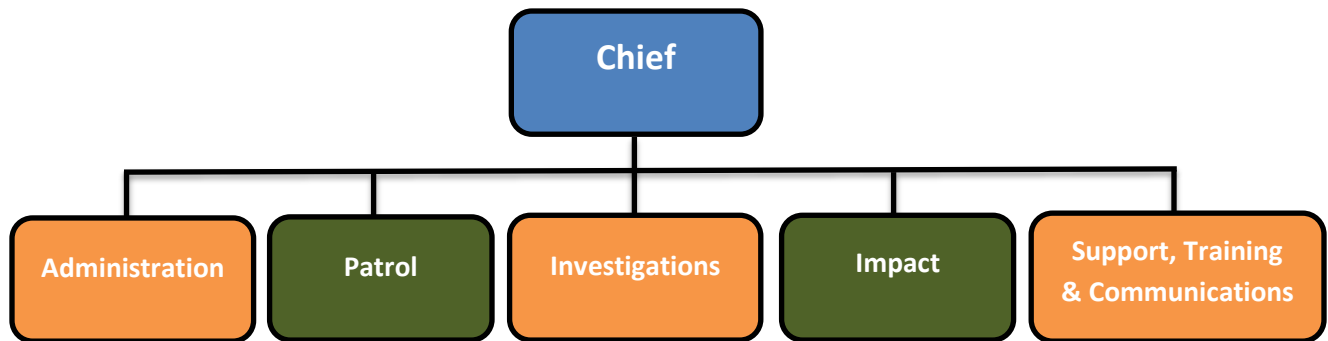
Public Safety	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 7,052,716	\$ 7,655,810	\$ 7,332,904	\$ 8,717,520	\$ 8,562,180
Operating	1,538,216	1,563,685	1,456,430	2,462,540	1,993,375
Fire Services Contract	5,097,844	5,254,655	5,339,180	5,552,750	5,663,300
Capital Outlay	751,301	447,285	440,000	1,568,900	816,900
Debt Service	344,599	-	-	-	-
Transfers	-	-	-	-	-
Total	\$ 14,784,676	\$ 14,921,435	\$ 14,568,514	\$ 18,301,710	\$ 17,035,755

BUDGET HIGHLIGHTS

- ❖ Personnel includes fourteen (14) new positions: One (1) Administrative Captain and Four (4) Corporals to start October 1 – One (1) Traffic Lieutenant, One (1) Corporal – Recruit Specialist, One (1) Special Events and Off Duty Coordinator, One (1) Administrative Support Specialist to start January 1 – One (1) Traffic Sergeant and Four (4) Traffic Officers to start April 1
- ❖ Capital Outlay includes additional vehicles for new officers along with replacement vehicles per schedule



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Build positive community relationships
 - Conduct outreach programs to foster positive community contacts
 - Educate the public through presentations emphasizing crime prevention
 - Continue to build trust and partnerships with our youth through elementary school tours of the police department, the D.A.R.E. Program, and the Explorer Post
2. Enhance the sense of safety in the Town
 - Partner with the community to increase public awareness of crime prevention and safety techniques through community outreach efforts, the Neighborhood Watch program, and the department's social media outlets
 - Encourage all personnel to create positive community contacts through community oriented policing
 - Ensure all employees provide professional and quality service to the people they serve by adhering to the department's core values—Courage, Honor, Integrity
 - Implement selective enforcement methods to aggressively and proactively target crime and criminal activity within Wake Forest
3. Build a culture that promotes transparency, accountability, and excellence throughout the agency
 - Work closely with the Communications and Public Affairs Director and utilize social media outlets to ensure the public is informed of major incidents involving the police department, issues of public safety, and notifications that would be of interest to the community
 - Create and update policies consistent with national accreditation standards
 - Hold personnel accountable for performing or behaving in a manner not consistent with department policy or our core values while recognizing and praising employees who do
4. Fill all open personnel vacancies
 - Due to the competitive job market, ensure the application, testing, and background process is conducted in a competent and timely manner
 - Partner with the Human Resources Department to assist in the recruiting and hiring process
 - Conduct recruiting efforts at Basic Law Enforcement Training academies, community colleges, and job fairs
5. Reduce the number of motor vehicle collisions within the Town
 - Work closely with the Town Engineering Department and NC Department of Transportation regarding traffic signal syncing at intersections identified as high risk to help reduce collisions
 - Conduct traffic enforcement campaigns and operations focusing on speeding, aggressive driving, texting while driving, and driving while impaired to assist in collision reduction
 - Utilize press releases and the department's social media outlets for notification purposes regarding traffic laws, enforcement campaigns, high risk or congested intersections and roadways, and road closures

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of arrests	706	579	850
Number of citations	7,336	7,824	12,500
Number of incident reports	2,573	1,829	2,750
Number of calls for service and self-initiated activities	57,168	42,435	65,000
Number of motor vehicle accidents	1,411	1,089	1,750

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of community outreach programs/events conducted per year	157	175	100
Number of selective enforcement campaigns conducted per year	477	649	180
Number of recruiting events conducted per year	4	5	2
Percentage reduction of collisions at the top three high-risk intersections within the Town	N/A	TBD	2%
Keep the public informed and notified at least twice a week (on average) of police activities through the use of social media and media outlets	12	230	104
Number of positive community contacts	N/A	215	200

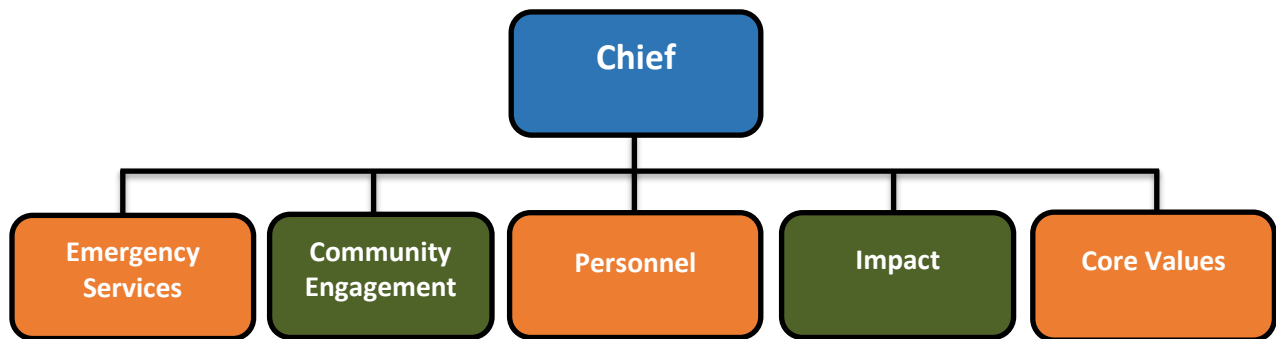
WAKE FOREST FIRE DEPARTMENT SUMMARY

The Wake Forest Fire Department is committed to creating a safer community through prevention, preparedness and effective emergency response.

PURPOSE STATEMENT

The purpose of the Wake Forest Fire Department is to protect, maintain and enhance the well-being of all citizens within the community.

DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Commitment to duty through the delivery of comprehensive services
 - Provide an Effective Response Force within a reasonable time on all structure related fires
 - Provide the appropriate level of Basic Life Support to all citizens and visitors within a reasonable amount of time
 - Provide the appropriate level of response to all vehicle accidents to ensure the survivability of patients and scene safety for the citizens and commuters
 - Provide non-emergency response to the community when requested
2. Support and maintain a safe community through effective Fire and Life Safety Education and Programs
 - Provide outreach programs with schools, businesses and the community to reduce property loss and injuries from fire related incidents
3. Sustain a high-quality workforce and provide continuing education to maintain staff certifications
 - Provide the opportunity for department members to improve their training levels and seek out new skills
 - Provide an opportunity for members of the community to become volunteer fire firefighters
 - Provide opportunities for our youths to get involved in the fire service through our Explorer Program
4. Maintain a level of staffing within the department to be able to provide the best service to the community
 - Provide a fair and competitive hiring process to ensure the best possible employee is selected
 - Ensure that benefits for employees and volunteers are competitive
5. Consistently improve operations to increase the department's positive impact within the Town
6. Ensure employees adhere to core values – Duty, Honor, Pride, Family, Integrity, Professionalism, Courage

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of emergency calls	3,698	2,848	3,900
Number of fire education and safety classes provided to the community	134	53	100
Number of employee training hours	34,543	26,494	36,000

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Average on scene time for motor vehicle collisions (in minutes)	34:07	27:59	25:00
Average on scene time for structure fire (in minutes)	54:54	1:52:32	55:00
Average on scene time for EMS calls (in minutes)	27:55	19:05	16:00
Percentage of vehicles/equipment available in response – ready condition	82%	91.3%	95%
Percentage of fires investigated in which cause is determined	71%	76.1%	80%



TOWN *of*
WAKE FOREST

PUBLIC WORKS ADMINISTRATION SUMMARY

Public Works Administration is a division of the Public Works Department. Staff consists of the Public Works Director and the Public Works Administrative Specialist, which are responsible for the day-to-day operation of Public Works.

PURPOSE STATEMENT

Enhance the quality of life for residents by ensuring citizen safety, maintaining the infrastructure, supporting Town departments and providing quality essential municipal services with the highest level of customer service via a cost effective, efficient and environmentally responsible operation.

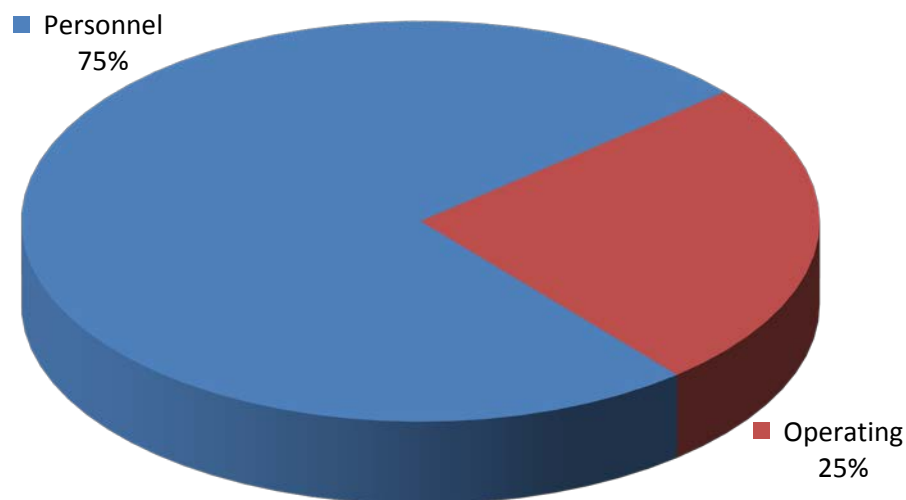
DEPARTMENT SUMMARY

Public Works Administration	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 134,198	\$ 137,530	\$ 178,019	\$ 127,435	\$ 147,410
Operating	43,519	49,750	42,310	49,600	49,320
Total	\$ 177,717	\$ 187,280	\$ 220,329	\$ 177,035	\$ 196,730

BUDGET HIGHLIGHTS

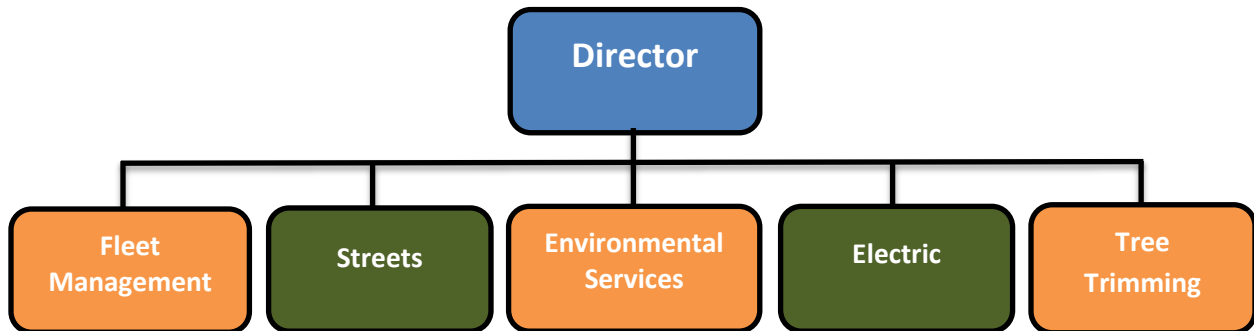
- ❖ No significant changes noted – budget slightly more than FY 17-18

FY 2018 - 2019 – Budget



Total \$196,730

DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Provide effective preventive maintenance and scheduled repairs
 - Maintain vehicles and equipment in top working order
 - Minimize vehicle and equipment availability delays to try to maintain a 95% overall availability rate for vehicles and equipment
2. Improve mechanic performance and equipment reliability
 - Maintain a turnaround time for repairs at no more than 24 hours for car and light duty trucks and 48 hours for heavy truck repairs and 72 hours for specialty equipment
 - Limit returns for rework to less than 5% of all work performed
3. Improve scheduled yard waste pickup
 - Provide 98% completion of yard waste collection on scheduled day
 - Provide prompt returns for missed pickups
4. Improve loose leaf collection
 - Provide 100% completion of loose leaf collection on scheduled day during non peak season
 - Provide 85% completion of loose leaf collection on scheduled day during peak season
5. Monitor solid waste/recycle cart delivery and repair to citizens
 - Provide a 95% delivery rate for carts to new first time residences
 - Provide a 95% completion rate for replacement/repair of carts
6. Improve traveling publics experiences on local roads
 - Prompt response time to hazardous road conditions/issues
7. Monitor and improve response to storm drain issues
 - Response to storm drain/catch basin emergencies
 - Annual maintenance of catch basins/storm drains
8. Improve pedestrian experience on sidewalks
 - Repair/replace damaged, broken or uneven sidewalk
9. Maintain street light appearance
 - Repair/replace all reported streetlight outages within 48 hours of notification
 - Perform a nighttime check of street light system at least 4 times per year
10. Routine Maintenance and Audits of Electric System (Distribution, Meter & Tree Trimming Divisions)
 - Perform maintenance and audits on 20% of Distribution, Meters and Load Management switches
 - Perform 48 Residential and 12 Commercial Energy Audit

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Provide work orders dedicated to preventive maintenance services	20%	60%	50%
Provide percentage of labor hours to scheduled work	60%	75%	70%
Provide percentage of labor hours to unscheduled work	40%	25%	30%
Ensure parts and materials are procured as best can be determined prior to starting repairs	70%	75%	80%
Perform quality checks prior to releasing vehicles and equipment	95%	100%	100%
Return for missed pickups upon notice	24 hours	24 hours	24 hours
Carts delivered to new residences within	24 hours	24 hours	24 hours
Carts to be replaced/repared upon notice	24 hours	24 hours	24 hours
Response to hazardous road conditions/issues during normal business hours	1.25 hours	1 hour	1 hour
Response to hazardous road conditions/issues outside of normal business hours	2.75 hours	3 hour	3 hours
Response to potholes during normal business hours	1 hour	1 hour	1 hour
Response to potholes outside of normal business hours for temporary repairs	2.5 hours*	2 hours*	2 hour*
Response to storm drain/catch basin related emergencies during normal business hours	1 hour	42 min	30 min
Response to storm drain/catch basin related emergencies outside of notification normal business hours	2.5 hours	2 hours	2 hours
Clean and vacuum percentage of catch basins per year	18%	25%	25%
Flush and clean percentage of storm drain per year	20%	25%	25%
Extend sidewalk network each year	5%	5%	5%
Percentage of reported street light outages repaired	100%	98%	100%
Maintenance and Audit on Electric System	15%	20%	20%
Perform Residential Energy Audits	35	10	48
Perform Commercial Energy Audits	7	2	9

* Permanent repairs to be made within 1 business day of temporary patch or within 1 business day after a required locate request has been cleared, whichever is earliest.

FLEET MAINTENANCE DIVISION SUMMARY

Fleet Maintenance is a division of the Public Works Department. Staff is responsible for the maintenance, repair and basic servicing of all the Town's vehicles and up fitting of Public Safety vehicles. Fleet Superintendent also works with Finance on the replacement vehicle scheduling.

PURPOSE STATEMENT

Provide timely, cost effective and high quality services to our customers while achieving the highest levels of customer satisfaction.

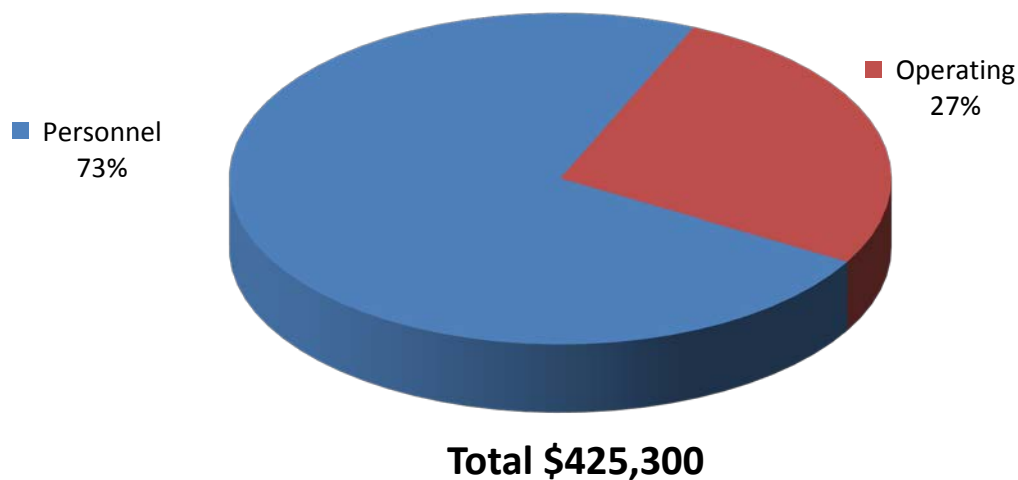
DEPARTMENT SUMMARY

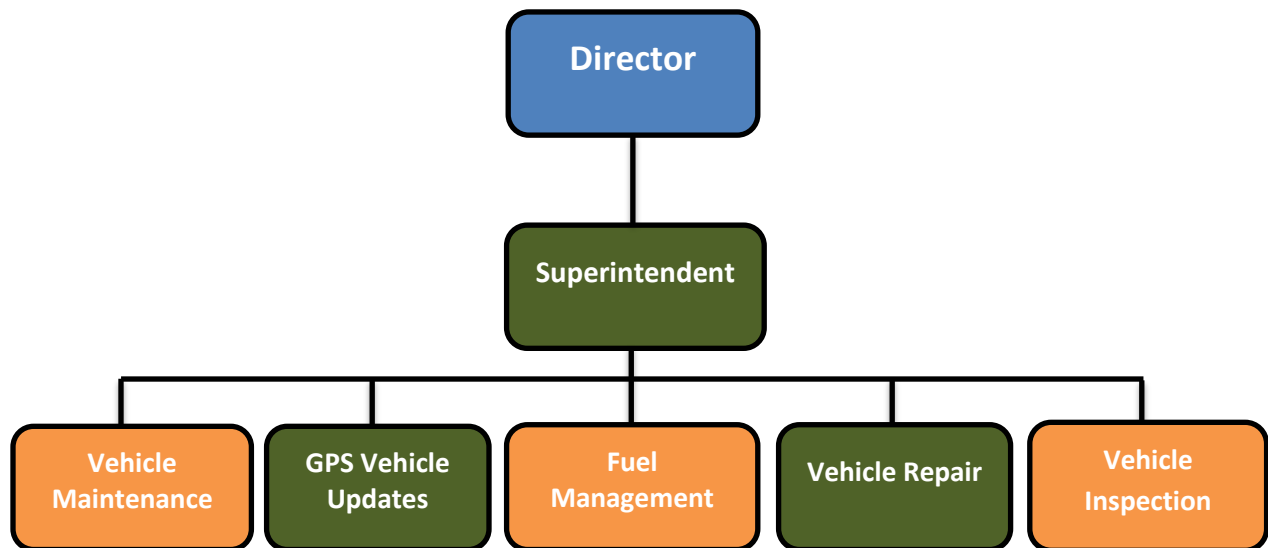
Fleet Maintenance	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Approved
Personnel	\$ 261,452	\$ 328,145	\$ 314,766	\$ 338,030	\$ 311,675
Operating	82,447	114,105	86,097	123,430	113,625
Capital Outlay	8,662	-	5,265	155,000	-
Debt Service	36,817	-	-	-	-
Total	\$ 389,378	\$ 442,250	\$ 406,128	\$ 616,460	\$ 425,300

BUDGET HIGHLIGHTS

- ❖ No significant changes – budget slightly less than FY 17-18
- ❖ Personnel decreased due to a retirement in staff during FY 17-18

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. To enhance the service level in Fleet Services
 - Provide advance notice for vehicle/equipment maintenance
 - Ensure that the shortest down time can be provided
 - Ensure repairs/services have been completed as scheduled
 - Provide quality repairs

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of maintenance/service orders completed	625	1,612	950
Number of maintenance/service orders completed on time	524	1,561	850
Parts secured prior to work commencing	285	1,332	350
Number of returns for improper repairs	16	1	10

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Provide work orders dedicated to preventative maintenance services	90%	95%	95%
Perform quality checks prior to releasing vehicles/equipment	100%	99%	100%
Ensure work has been completed correctly without a return visit	100%	99%	95%
Ensure parts and materials are procured prior to start of repair	90%	98%	95%

STREETS DIVISION SUMMARY

The Streets division provides maintenance and repair of the Town's street system and storm drainage system. Expenditures for the Powell Bill program are also included in this function.

PURPOSE STATEMENT

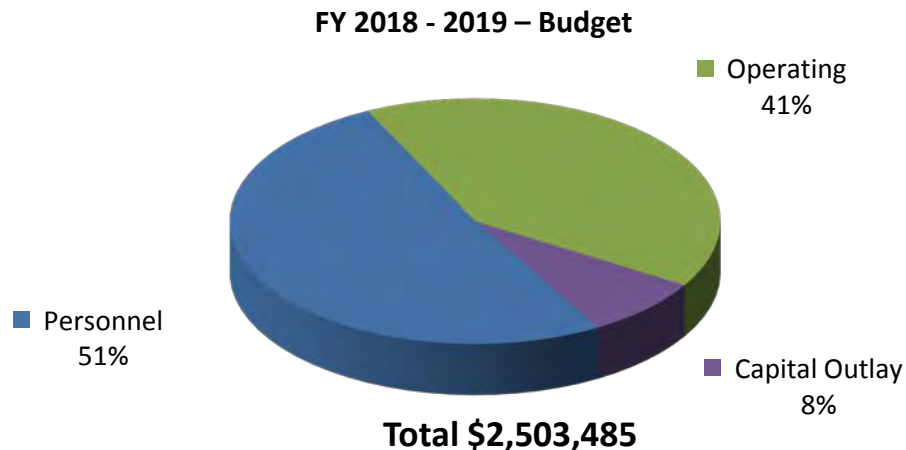
Enhance citizens' quality of life by maintaining, repairing and replacing streets and other related infrastructure. To ensure a safe road system through proper maintenance, rehabilitation and replacement of failed segments of pavement and all other related infrastructure while upholding the highest regard for customer satisfaction. To strive to maintain and improve traffic conditions to strengthen citizens' sense of community.

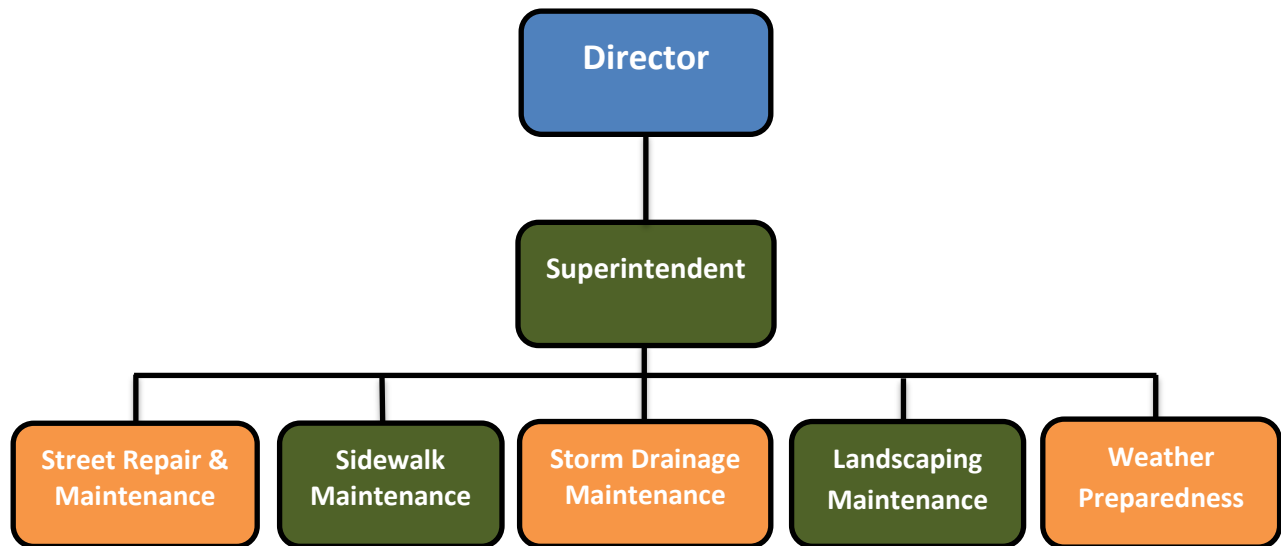
DEPARTMENT SUMMARY

Streets	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 1,021,319	\$ 1,217,510	\$ 1,074,261	\$ 1,269,550	\$ 1,279,855
Professional Services	-	-	-	-	-
Operating	958,000	1,067,180	944,668	1,129,380	1,025,130
Capital Outlay	437,984	681,000	544,915	508,000	198,500
Debt Service	1,130,521	-	-	-	-
Transfers	173,025	-	-	-	-
Streets Sub-total	\$ 3,720,848	\$ 2,965,690	\$ 2,563,844	\$ 2,906,930	\$ 2,503,485
Powell Bill	1,019,668	35,000	31,184	35,000	-
Total	\$ 4,740,516	\$ 3,000,690	\$ 2,595,028	\$ 2,941,930	\$ 2,503,485

BUDGET HIGHLIGHTS

- ❖ Powell Bill funds will be used to support future debt service payments
- ❖ Capital Outlay includes funding for a Gator/ATV, Storm Drain Camera System, and new sidewalk construction



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. To provide a safe driving and walking experience for residents and maintain proper storm drainage
 - Extend sidewalks in “planned” areas as required by Transportation Plan
 - Repair/replace sidewalks that present trip hazards
 - Repair reported potholes
 - Clear reported storm drainage issues

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Install new sidewalk in areas as required by Transportation Plan (in feet)	200	170	300
Number of hazardous sidewalks repaired	1,285	1,325	1,400
Number of reported potholes repaired	38	58	45
Number of storm drain inlets cleared/repaired	28	53	50

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Extend sidewalk network each year	5%	1%	5%
Sidewalk repairs (in feet) replaced per year	1,285	757	1,400
Response to potholes during normal business hours	1 hour	1 hour	1 hour
Response to potholes outside normal business hours for temporary repairs	2.5 hours	2 hours	2.5 hours
Response to storm drain/catch basin related emergencies during normal business hours	1 hour	45 min	30 min
Response to storm drain/catch basin related emergencies outside of normal business hours	2.5 hours	2 hours	2 hours
Flush and clean percentage of storm drain per year	20%	13%	25%

ENVIRONMENTAL SERVICES DIVISION SUMMARY

The Environmental Services division provides assistance with the distribution of rollout carts for the collection and disposal of residential refuse and recyclables. The Town contracts with a private firm to provide garbage and recycling service. The Town provides yard waste service.

PURPOSE STATEMENT

Ensure the provision of industry leading waste collection, recycling and disposal services.

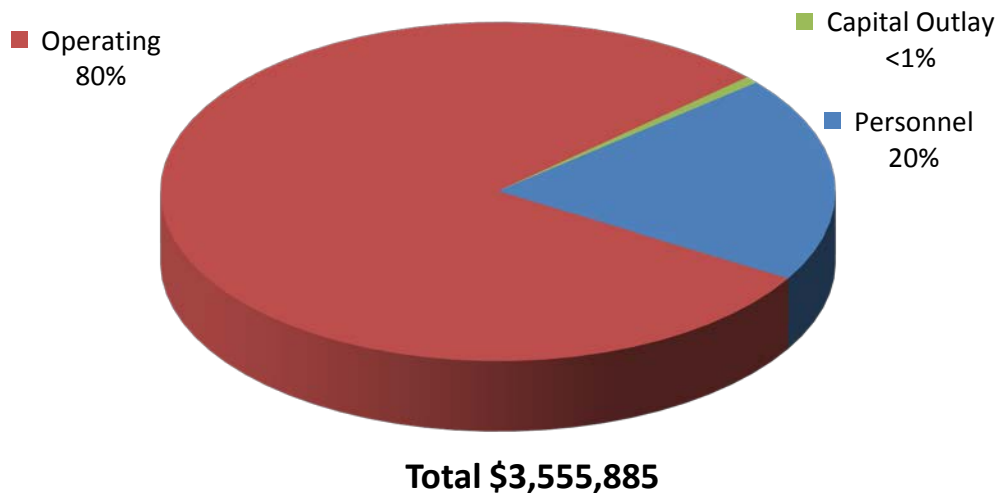
DEPARTMENT SUMMARY

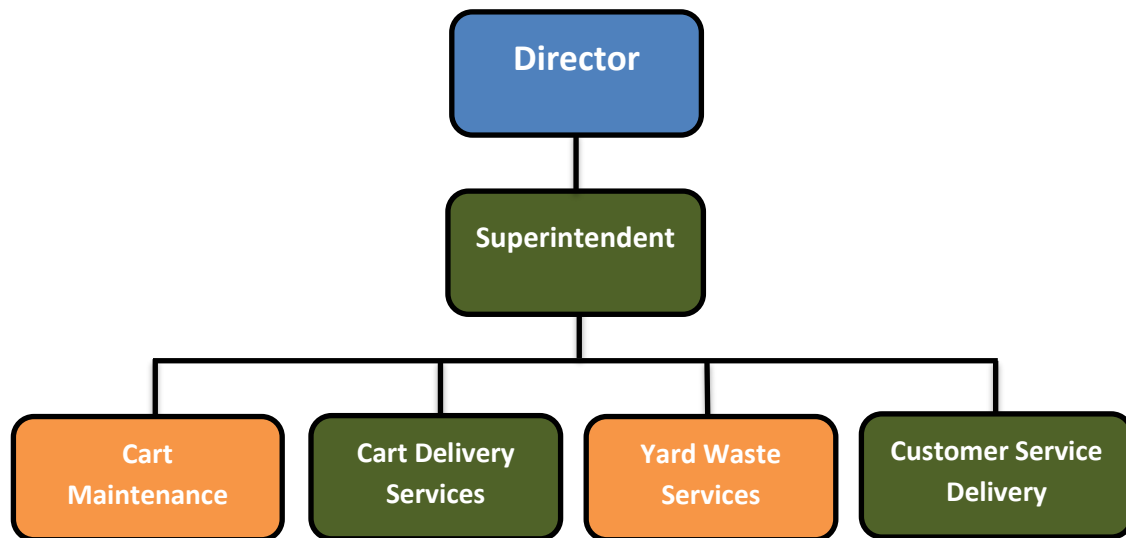
Environmental Services	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 492,570	\$ 588,530	\$ 557,416	\$ 714,390	\$ 699,435
Operating	2,666,374	2,773,780	2,785,580	2,924,850	2,832,950
Capital Outlay	175,991	195,000	190,686	23,500	23,500
Debt Service	164,675	-	-	-	-
Total	\$ 3,499,610	\$ 3,557,310	\$ 3,533,682	\$ 3,662,740	\$ 3,555,885

BUDGET HIGHLIGHTS

- ❖ Personnel reflects full salary and benefits for the three (3) Yard Waste Collectors added in FY 17-18
- ❖ Capital includes funds for Gator/ATV vehicle used to transport trash from receptacles on greenways and parks

FY 2018 – 2019 – Budget



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. To promote a high level of customer service for residential solid waste/recycle and yard waste
 - Deliver residential solid waste/recycle carts to new residents
 - Repair/replace solid waste/recycle carts for existing residents
 - Ensure yard waste routes are completed on time
 - Ensure reduction in number of callbacks for missed yard waste service

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of new carts delivered	1,185	1,018	1,250
Number of carts repaired	225	102	225
Percentage of routes completed	92%	95%	92%
Number of returns for missed pickups upon notice	48	11	48

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Return for missed pickups upon notice	24 hours	24 hours	24 hours
Carts to be replaced or repaired upon notice	24 hours	24 hours	24 hours
Percentage of routes completed on time	95%	95%	95%



TOWN *of*
WAKE FOREST

PARKS, RECREATION AND CULTURAL RESOURCES DEPARTMENT SUMMARY

Staff provides for a system of Town parks and open space areas, along with the development of a variety of recreation activities and special events for all ages and interest levels. Facilities include one (1) swimming pool, four (4) community buildings, various school facilities, twelve (12) parks and greenways & trails.

PURPOSE STATEMENT

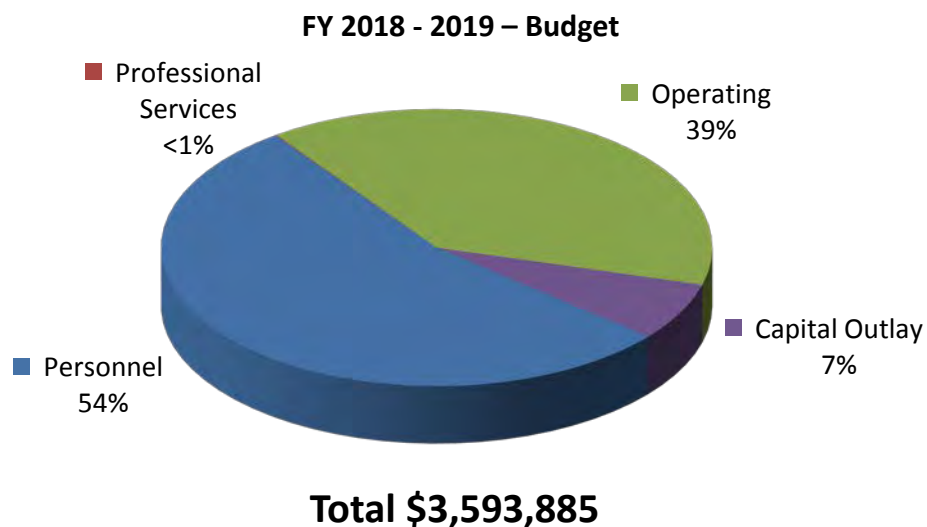
To enhance the lives of citizens by offering a comprehensive system of parks, greenways, facilities and open spaces, coupled with cultural and athletic programs that promote education, health and wellness.

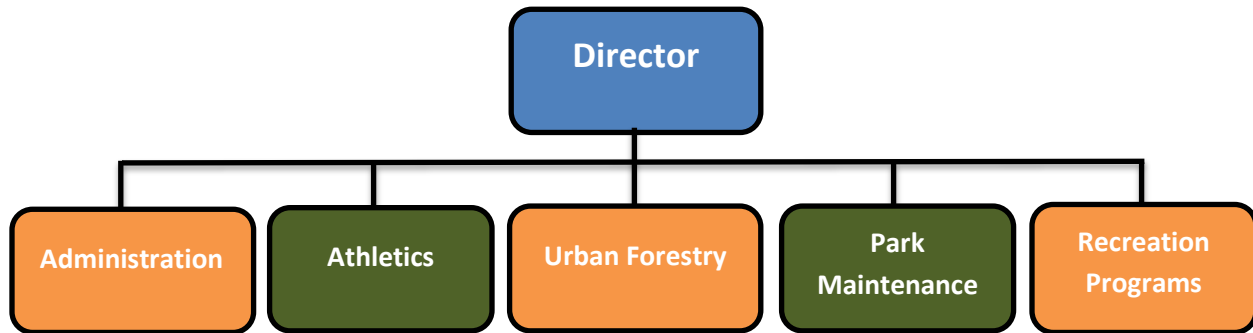
DEPARTMENT SUMMARY

Parks and Recreation	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 1,579,916	\$ 1,849,630	\$ 1,671,448	\$ 1,886,285	\$ 1,938,385
Professional Services	26,822	36,400	42,332	2,500	2,500
Operating	1,021,685	1,200,630	1,080,252	1,789,610	1,409,000
Capital Outlay	491,075	507,815	467,972	243,000	244,000
Debt Service	837,886	-	-	-	-
Transfers	72,500	-	-	-	-
Total	\$ 4,029,885	\$ 3,594,475	\$ 3,262,004	\$ 3,921,395	\$ 3,593,885

BUDGET HIGHLIGHTS

- ❖ Operating reflects associated costs for the maintenance contract and staffing at Holding Park Aquatic Center
- ❖ Capital outlay reflects the addition of a new sprayer and 3 unit reel mower, replacement of lawnmowers and a vehicle, and improvements to Smith Creek soccer field surface repair



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. Improve Organizational Credibility and Operational Efficiencies
 - Enhance and improve internal and external communication of activities and services
2. Improve Financial Situations
 - Implement equitable user fees
3. Improve Programs and Service Delivery
 - Increase programming for families, seniors, and teens
 - Increase programs in wellness/fitness, cultural, and special needs
4. Improve Facilities and Amenities
 - Maintain and improve existing facilities

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of spring/baseball softball participants	1,054	922	950
Number of fall baseball/softball participants	522	537	525
Number of basketball participants	1,008	1,052	1,050
Number of track and field participants	48	90	80
Number of volleyball participants	303	N/A	320
Number of Town facility rentals	177	130	175
Number of specialized programs	269	201	250
Total of sponsorship funding	\$29,600	\$54,050	\$60,000
Number of Town athletic facility rentals	657	427	450

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Percentage of respondents surveys receiving above average or excellent ratings	96%	99%	95%
Percentage of youth athletic programs meeting established cost recovery goal of 50% (Direct Cost)	100%	100%	100%
Percentage of adult athletic programs meeting established cost recovery goal of 100% (Direct Cost)	100%	100%	100%
Percentage of facility improvements/upgrades addressed as recommended by the Master Plan	40%	43%	55%
Percentage of non-athletic programs meeting established cost recovery goal of 50% (Indirect Cost)	33%	34%	50%
Obtain sponsorship for non-athletic programs (Special Events)	33%	55%	75%



TOWN *of*
WAKE FOREST

TRANSFERS – OTHER FUNDS

Effective July 1, 2017 a separate department within the General Fund will be created to account for transfers out of the General Fund for debt service payments, matching funds for grants and other allocations to Special Revenue Funds.

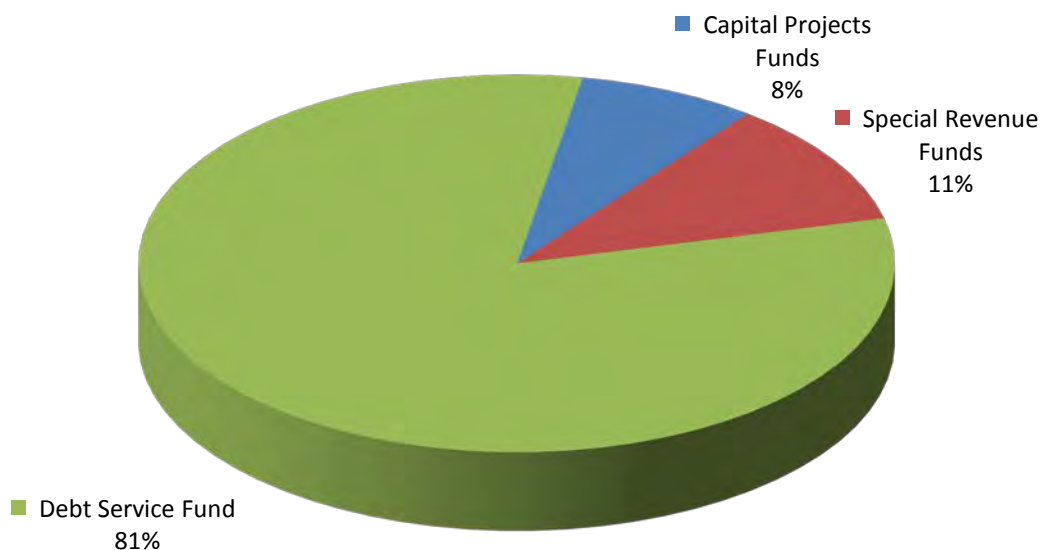
DEPARTMENT SUMMARY

Transfers - Out	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Capital Projects Funds	\$ -	\$ 606,500	\$ 606,500	\$ -	\$ 410,000
Special Revenue Funds	-	465,465	421,350	250,000	575,050
Debt Service Fund	-	3,439,050	4,610,650	4,795,550	4,376,185
Total	\$ -	\$4,511,015	\$5,638,500	\$ 5,045,550	\$ 5,361,235

BUDGET HIGHLIGHTS

- ❖ Transfers to the capital project funds include: Metal Roof Replacement (Police Station), Priority Ped funding, and Stormwater Repairs
- ❖ Transfers to special revenue funds include: Futures Fund (Economic Development), funding for LEO, funding for OPEB, and personnel costs for Renaissance Centre
- ❖ All debt service requirements for the General Fund have been shifted to the debt service fund from respective departments – Represents 8 ½ cents of tax rate

FY 2018 – 2019 Budget



Total \$5,361,235



TOWN *of*
WAKE FOREST

**Town of Wake Forest
Debt Service Fund
Fiscal Year 2018 - 2019**

	2018 Amended Budget	2018 Actuals March 31, 2018	2018 Projected June 30, 2018	2019 Proposed Budget
Fund 200 - Debt Service Fund				
Revenue				
4330 - Powell Bill	\$ 868,000	\$ 868,086	\$ 868,086	\$ 882,000
4340 - Vehicle Fees	306,500	214,756	303,570	626,760
4600 - Investment Earnings	-	-	-	-
4710 - Interfund Transfers	3,436,150	3,517,987	4,670,650	4,436,185
4990 - Appropriated Fund Balance	-	-	-	797,175
Revenue Total	\$ 4,610,650	\$ 4,600,829	\$ 5,842,306	\$ 6,742,120
Expenses				
5800 - Installment Purchase - Principal	2,767,470	2,461,170	2,941,141	3,333,035
5801 - Installment Purchase - Interest	218,760	214,086	229,772	330,325
5810 - GO Bond - Principal	1,245,200	530,000	1,245,200	2,067,240
5811 - GO Bond - Interest	379,220	286,194	379,220	1,011,520
Expenses Total	\$ 4,610,650	\$ 3,491,451	\$ 4,795,333	\$ 6,742,120
Fund 200 - Debt Service Fund Total				
Total Debt Service Fund	-	1,109,379	1,046,973	-

DEBT MANAGEMENT

The Town strategically manages its long term financing needs through the use of various debt financing options available such as General Obligation Bonds, Revenue Bonds and Installment Purchase Agreements. Debt service expenditures include principal and interest payments, which are budgeted in the corresponding town departments within the Debt Service Fund and Electric Fund.

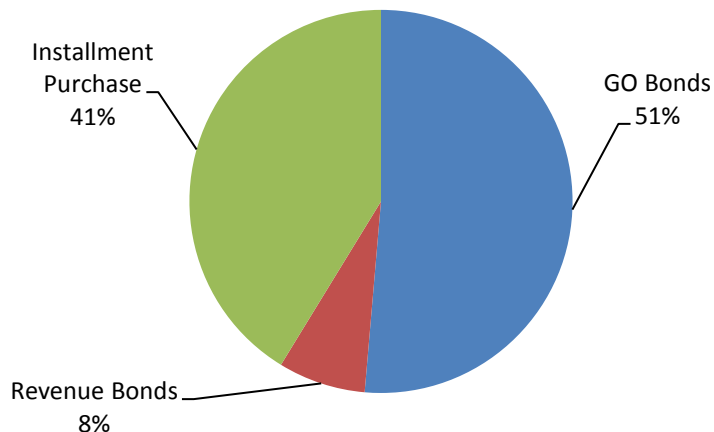
Ratings

Bond ratings are measures of the town's credit worthiness. The rating agencies analyze the economic condition, debt management, administrative leadership and fiscal planning and management to determine the quality of the town's credit. The town has an "Aa1" rating from Moody's Investor Service and "AAA" rating from Standard and Poor's, which represents the highest possible rating for municipal debt, indicating that the town has outstanding credit worthiness.

Summary of Outstanding Debt Issuance

	as of March 31, 2018
General Fund	
Installment Purchase Agreements	9,989,595
General Obligation Bond	12,437,000
Total Tax-Supported Debt	22,426,595
Electric Fund	
Revenue Bonds	1,788,017
Total Debt Outstanding	24,214,612

Outstanding Debt by Type of Issue

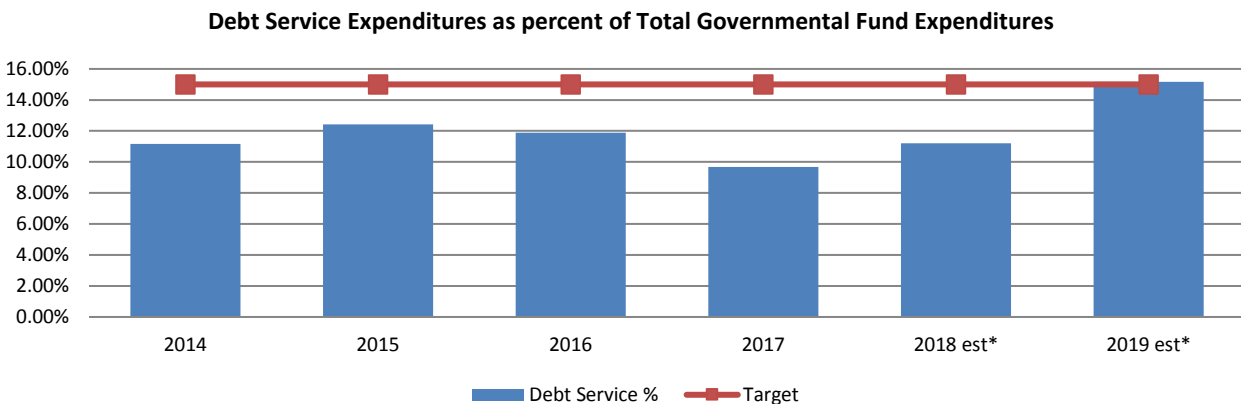
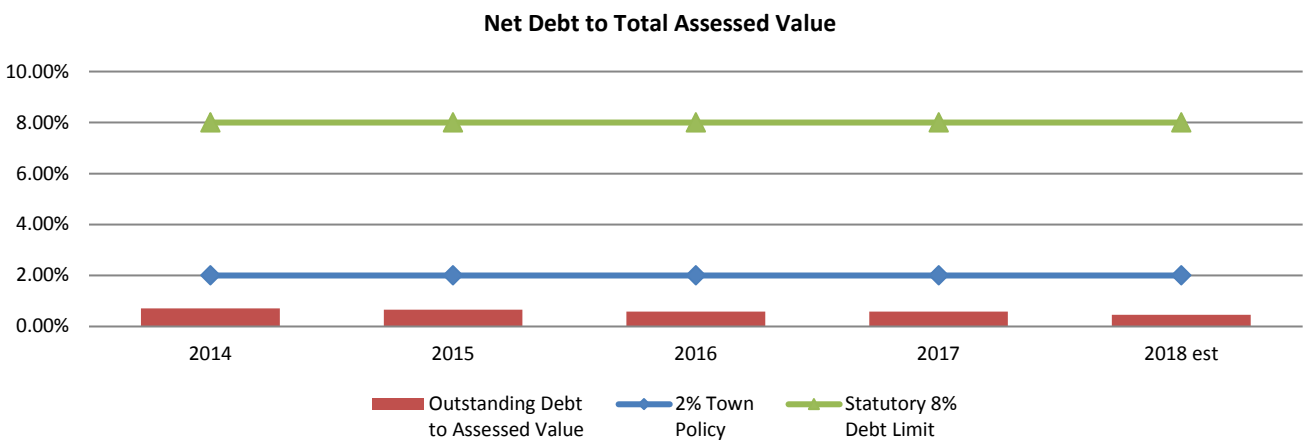


Legal Debt Limit

The Town is subject to the Local Government Bond Act. This act limits the net bonded debt that the town may have outstanding to eight (8%) percent of the assessed value of property subject to taxation. The projected statutory limit for bonded debt in FY 2018 is \$420,281,977 providing a debt margin of approximately \$377,085,382.

Town Policy

Per policy guidelines approved in January 2013, net debt as a percentage of total assessed value of taxable property should not exceed two (2%) percent. The town defines net debt as any and all debt that is tax-supported. In addition, the ratio of debt service expenditures as a percent of total governmental fund expenditures should not exceed fifteen (15%) percent.



Outstanding General Obligations Debt Authorizations

The town has been authorized to issue \$25.1 million for greenways, street improvements and park & recreation. To date we have issued \$4.3 million of this amount, which leaves an available authorization amount of \$20.8 million. In June 2018 the town is scheduled to issue \$15.9 million of this remaining authorization. The issuance will be allocated as follows: \$14.2 million for parks and recreation and \$1.7 for streets and sidewalks.



TOWN *of*
WAKE FOREST

Town of Wake Forest

DOWNTOWN MUNICIPAL SERVICE DISTRICT

During the 1980's, an effort began to revitalize the downtown area of Wake Forest. The Town Board of Commissioners and the Wake Forest Chamber of Commerce spearheaded the effort by creating a Downtown Revitalization Corporation (DRC). Both organizations appointed members to the DRC. The Town provided funding and the Chamber provided administrative support. An Executive Director was employed for a three-year period to lead the revitalization effort.

One of the major accomplishments of the DRC during this period was to develop a revitalization plan for the entire central business district as outlined in the Town's Zoning Ordinance. The plan was authored by a panel of planning experts from both the academic and business communities in North Carolina. The plan adopted in 1988 by the Town Board of Commissioners was titled the *Wake Forest Downtown Redevelopment Plan*.

The plan recommended the creation of a special tax district or municipal service district to provide funding for projects and services provided in the downtown area. The Town Board created the district in June of 1988 (Resolution 88-48) with at least 50% of the proceeds to be used to create off-street parking facilities. The tax rate was initially set at \$ 0.10 per \$100 of assessed value of all properties within the district. The rate can be adjusted annually but cannot exceed \$ 0.25. General obligation bonds were approved by the voters and sold in 1989 to construct a parking lot on the block bounded by South White and Brooks Streets and Wait and Jones Avenues. The revenue from the district was used to retire the debt on those bonds. The revenue over and beyond the debt service requirements is in fund balance and portions have been transferred to Capital Reserve for future capital projects in the Downtown area. During FY 2007-2008, the tax rate was set at \$.17 per \$100 of assessed value and the 50% off-street parking stipulation was eliminated.

In September 2013, the DRC changed its official name to Wake Forest Downtown, Inc. (WFD, Inc.) to better reflect their mission and match the town branding. The Board of Directors, non-profit organization and plan of work remains the same, with the just the name change to reflect an update to the program.

WFD, Inc. continues to play a major role in the economic development and marketing of the municipal service district. Façade improvements, wayfinding signs, special projects, festivals and events, seminars and collaboration with downtown stakeholders all serve to make the Downtown district a viable destination to live, work and play. In addition, WFD, Inc. is recognized as a North Carolina Main Street City, as well as receiving recognition for the last few years as a National Main Street program through the National Trust for Historic Preservation.

The proposed tax rate for FY 2018-2019 is **\$.14 per \$100 of assessed value**. Funds are allocated as follows: \$15,000 towards continued façade improvements downtown, \$60,000 to offset the debt service for White Street Streetscape improvements; \$12,000 tree lights and installation; \$10,000 dumpster fencing on town lot on Jones Avenue; \$15,000 for banner replacements; and \$3,500 for signage (downtown parking and side street businesses).

Fund 400: Downtown Municipal Service District (DSMD)

	2017 Actual June 30, 2017	2018 Amended Budget	2018 Actuals March 31, 2018	2018 Projected June 30, 2018	2019 Requested Budget	2019 Proposed Budget
Revenue						
Ad Valorem Taxes	\$ 74,592	\$ 74,000	\$ 73,937	\$ 75,266	\$ 74,000	\$ 74,000
Investment Earnings	1,365	1,000	1,682	2,243	2,000	3,000
Other Financing Sources	-	44,500	-	-	19,000	38,500
Revenue Total	\$ 75,957	\$ 119,500	\$ 75,620	\$ 77,509	\$ 95,000	\$ 115,500
Expenses						
Transfers In (Out)	64,668	119,500	66,285	83,785	95,000	115,500
Expenses Total	\$ 64,668	\$ 119,500	\$ 66,285	\$ 83,785	\$ 95,000	\$ 115,500
Fund Total: Downtown Municipal Service District	\$ 11,289	\$ -	\$ 9,335	\$ (6,276)	\$ -	\$ -

Town of Wake Forest

WAKE FOREST RENAISSANCE CENTRE

The Wake Forest Renaissance Centre is a multi-purpose facility providing visual and performing arts programming for people of all ages and abilities, while also serving as a popular venue for a variety of community events.

Located in the heart of Wake Forest's Renaissance District, the Renaissance Centre endeavors to contribute to the revitalization of downtown, connect and engage our community through inspiring arts experiences, and contribute to the economic growth and quality of life in our region.

Through exhibitions, workshops, community theatre, classes, concerts and related events, the Renaissance Centre will offer a variety of programming to achieve these goals. It will also provide an inclusive environment that enriches the lives of members of the community, while also encouraging and facilitating a flourishing arts community across cultures, generations and disciplines.

Special Revenue funds are used to account for resources set aside for specific purposes. At the onset, a Special Revenue fund was authorized to track sponsorships, event revenues and relative expenditures. Effective with the June 30 financial statements, the year-end fund balance will be consolidated with the General Fund Balance.

All personnel costs and relative expenditures are accounted for in the special revenue fund. Any improvements or building related costs are accounted for in the Public Facilities department.

The proposed budget for fiscal year 2018-2019 is \$620,350. Revenues consist of facility rentals for the Centre, sponsorships, donations, concessions and program revenues from the variety of events planned. A transfer in the amount of \$350,050 from the General Fund is included to cover all personnel costs.

Expenditures consist of marketing and promotions, purchase for resale – concessions supplies for programs and classes and fees associated with events, concerts, theater performances, performers, comedy nights and other venues.

The renovations that are being funded in part by the Wake County grant (overnight room stays and food and beverage tax revenues) will be completed by May 2018. The renovations are accounted for in a capital projects fund that recognizes revenues from the grant along with the town's matching funds from the General Fund.

Fund 425: Wake Forest Renaissance Centre Special Revenue Fund

	2017 Actual June 30, 2017	2018 Amended Budget	2018 Actuals March 31, 2018	2018 Projected June 30, 2018	2019 Requested Budget	2019 Proposed Budget
Revenue						
Sales and services	\$ 88,682	\$ 98,000	\$ 64,938	\$ 78,652	\$ 137,500	\$ 152,500
Other Revenue	64,447	56,000	50,872	61,695	96,000	117,800
Other Financing Sources	276,620	321,100	211,254	321,100	350,050	350,050
Revenue Total	\$ 429,749	\$ 475,100	\$ 327,064	\$ 461,447	\$ 583,550	\$ 620,350
Expenses						
Personal Service	\$ 259,575	\$ 291,985	\$ 211,254	\$ 283,675	\$ 377,750	\$ 350,050
Operating	185,888	178,115	105,062	146,274	304,300	270,300
Capital Outlay	-	5,000	-	-	-	-
Expenses Total	\$ 445,464	\$ 475,100	\$ 316,316	\$ 429,949	\$ 682,050	\$ 620,350
Fund Total: Wake Forest Renaissance Centre	\$ (15,715)	\$ -	\$ 10,747	\$ 31,498	\$ (98,500)	\$ -

RENAISSANCE CENTRE DEPARTMENT SUMMARY

Staff oversees and directs the activities of the Renaissance Centre for the Arts.

PURPOSE STATEMENT

The Renaissance Centre for the Arts is dedicated to inspiring, engaging and educating the community through a variety of cultural arts programs. Through theatre, concerts, film screenings, classes, workshops and related events, the Centre offers enriching art experiences that bridge cultures, generations and disciplines.

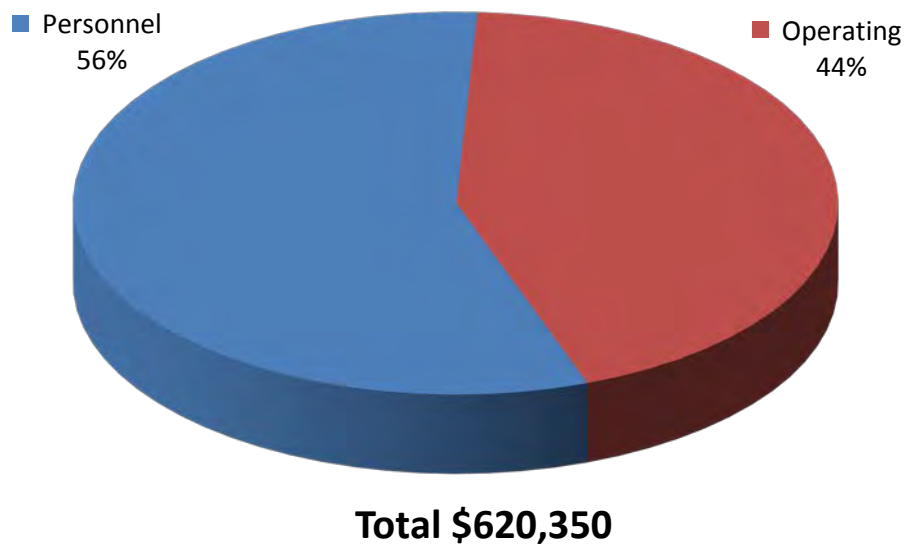
DEPARTMENT SUMMARY

Renaissance Centre	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 259,575	\$ 291,985	\$ 283,675	\$ 377,750	\$ 350,050
Operating	185,888	178,115	146,274	304,300	270,300
Capital Outlay	-	5,000	-	-	-
Total	\$ 445,464	\$ 475,100	\$ 429,949	\$ 682,050	\$ 620,350

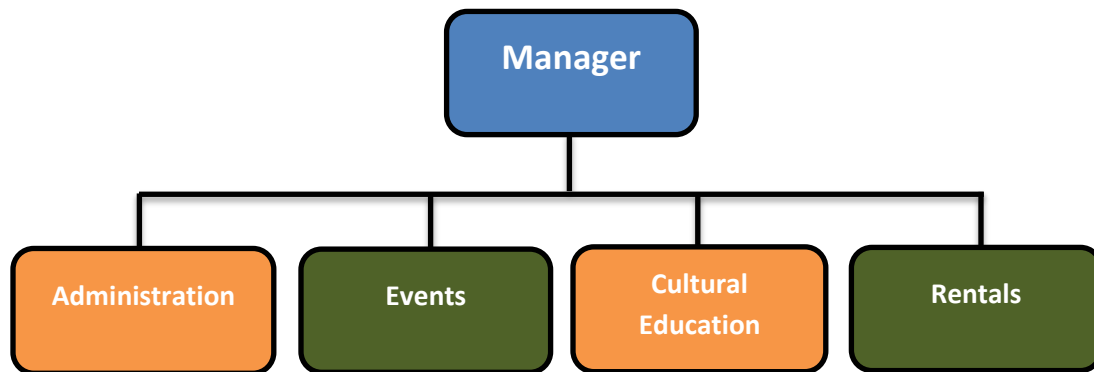
BUDGET HIGHLIGHTS

- ❖ Personnel increase due to part-time salaries for full year of operation
- ❖ Operating increase based on full year of marketing, promotions, theater performances and programs

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:



GOALS AND KEY PERFORMANCE OBJECTIVES:

1. Contribute to The Town of Wake Forest's cultural landscape through innovative and artistic experiences and cultural education classes for the public
 - Present and produce professional performance work that exemplifies high standards for artistic excellence
 - Present multi-disciplinary, intergenerational, and diverse performance work
 - Present a variety of affordable and free live performances that the community can engage in
2. Help promote a greater public awareness of the Renaissance Centre's cultural and educational programs
 - Work closely with the communications department to collaborate on the publications and narrative materials that support all Renaissance Centre presentations and educational programs
 - Develop relationships with other arts and community organizations that will help produce and promote all Renaissance Centre programming
 - Participate in a variety of expos and meetings in order to promote programming to the public
3. Further our efforts to engage persons with disabilities in RC programming
 - Work toward meeting ADA requirements in the main building and Art Annex
 - Ensure that the RC program guide and other printed materials are made available in Braille and large print
 - Arrange to have a number of performances throughout the year available in sign language
 - Make available Assisted Listening Devices for all programming
 - Continue our commitment to offering inclusive programming and serving all citizens
4. Reach and engage ethnically and culturally diverse audiences throughout the Town of Wake Forest and its surrounding communities
 - Participate in the GRCVB 2017 Project - Art & Soul: African American Arts in the Triangle and serve on the "church" campaign part of this project with Charles Phaneuf (Raleigh Little Theatre) leading (Jan-Dec 2017)
 - Form relationships with local pastors of African American churches to promote programming
 - Offer culturally diverse performances throughout the year

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of visitors to the Renaissance Centre	18,268	13,857	20,000
Number of ticketed events	67	36	60
Number of free events	47	39	40
Number of paid private/business rentals	31	25	45
Number of internal rentals – Town/Community	45	22	40
Number of cultural classes offered	24	37	50

***Venue closed for renovations January 1-31, 2017**

***Grand Hall closed for renovations Dec. 14, 2017 – April 2018**

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of free live performances offered to the community	9	7	8
Minimum number of established opportunities to promote the Renaissance Centre including expos, meetings and special interest groups	36	53	60
Percentage of renters that are satisfied with their experience on day-of-rental	98%	99.7%	100%
Number of art experiences offered for K-12 students (Hosted at the Renaissance Centre and local schools)	13	5	10
Number of events offered that engage individuals with disabilities	11	16	12

***Venue closed for renovations January 1-31, 2017**

***Grand Hall closed for renovations Dec. 14, 2017 – April 2018**



TOWN *of*
WAKE FOREST

Fund 360: Wake Forest Power

	2017 Actual June 30, 2017	2018 Amended Budget	2018 Actuals March 31, 2018	2018 Projected June 30, 2018	2019 Requested Budget	2019 Proposed Budget
360 Wake Forest Power						
Revenue						
Charges for Services	\$ 18,642,284	\$ 19,192,115	\$ 14,564,129	\$ 19,343,967	\$ 19,567,475	\$ 19,818,405
Sales Tax - Utility	1,306,516	1,333,950	1,018,415	1,326,474	1,360,025	1,376,895
Other Revenue	255,642	120,000	247,906	301,461	120,000	130,000
Investment Earnings	17,189	15,000	21,160	28,213	35,000	40,000
Other Financing Sources	-	873,035	833,235	833,235	-	-
Expenses						
Personal Service	\$ 3,247,329	\$ 3,250,965	\$ 2,433,537	\$ 3,152,098	\$ 3,461,865	\$ 3,679,890
Professional Services	70,944	50,000	34,481	50,000	85,000	85,000
Operating	15,162,841	15,981,105	10,509,786	15,282,478	16,059,315	15,761,190
Contributions	5,000	5,000	3,750	5,000	5,000	5,000
Capital Outlay	-	1,729,035	1,324,175	1,633,390	1,250,500	995,500
Debt Service	67,686	517,995	517,988	671,627	504,120	804,420
Transfers In (Out)	-	-	-	-	-	34,300
Expenses Total	\$ 18,553,800	\$ 21,534,100	\$ 14,823,718	\$ 20,794,593	\$ 21,365,800	\$ 21,365,300
Revenue Total	\$ 20,221,631	\$ 21,534,100	\$ 16,684,845	\$ 21,833,350	\$ 21,082,500	\$ 21,365,300
Expense Total	\$ 18,553,800	\$ 21,534,100	\$ 14,823,718	\$ 20,794,593	\$ 21,365,800	\$ 21,365,300
Fund 360 - Net Total	\$ 1,667,831	\$ -	\$ 1,861,127	\$ 1,038,757	\$ (283,300)	\$ -

Wake Forest Power Budget Summary by Department

	2017 Actual June 30, 2017	2017 Amended Budget	2018 Actuals March 31, 2018	2018 Projected June 30, 2018	2019 Requested Budget	2019 Proposed Budget
360 Wake Forest Power						
Revenue						
000 Non-Departmental	\$ 20,221,631	\$ 21,534,100	\$ 16,684,845	\$ 21,833,350	\$ 21,082,500	\$ 21,365,300
Revenue Total	20,221,631	21,534,100	16,684,845	21,833,350	21,082,500	21,365,300
Expenses						
850 Electric - Operations	18,329,683	20,988,520	14,415,098	20,337,456	20,871,420	20,819,985
860 Electric - Tree Trimming	224,116	545,580	408,620	457,137	494,380	545,315
Expenses Total	18,553,800	21,534,100	14,823,718	20,794,593	21,365,800	21,365,300
Fund Total: Wake Forest Power	\$ 1,667,831	\$ -	\$ 1,861,127	\$ 1,038,757	\$ (283,300)	\$ -

ELECTRIC - OPERATIONS SUMMARY

The Electric Division, also known as Wake Forest Power, provides construction, operation and maintenance to the Town's electrical distribution system, substation and other equipment.

PURPOSE STATEMENT

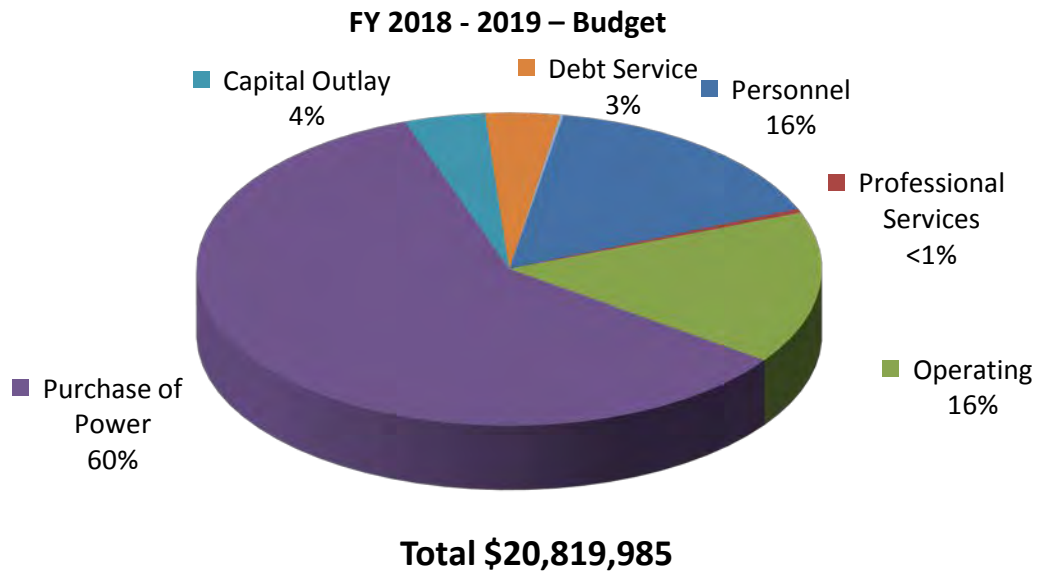
Deliver consistent and reliable electric service in a timely and cost effective manner.

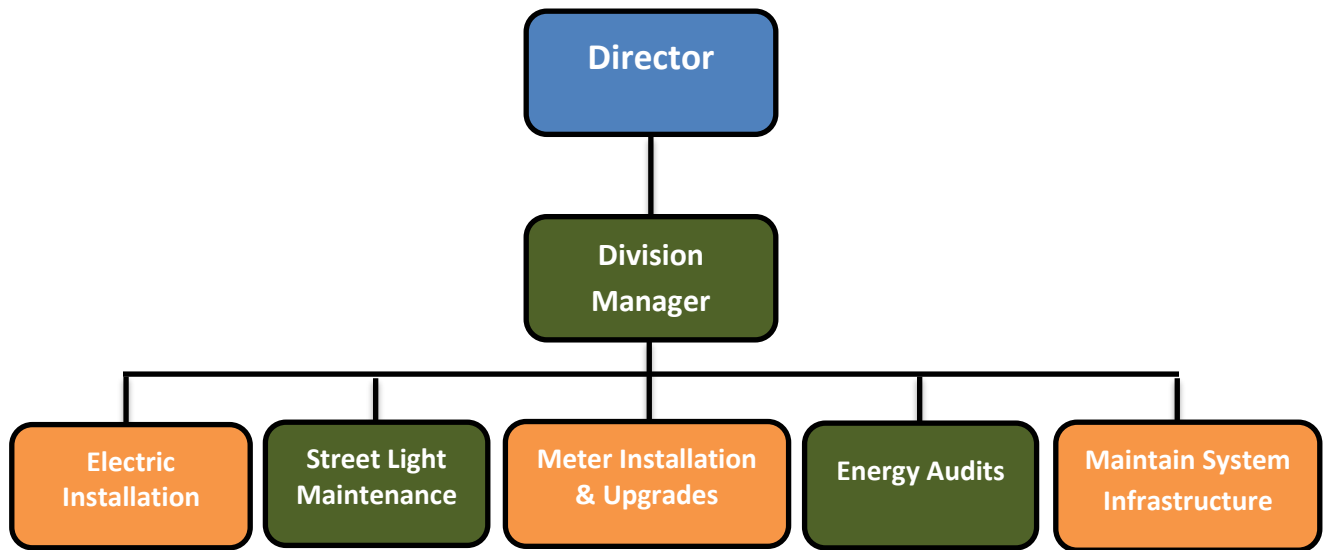
DEPARTMENT SUMMARY

Electric	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 3,054,014	\$ 2,977,235	\$ 2,938,957	\$ 3,152,035	\$ 3,317,545
Professional Services	70,944	50,000	50,000	85,000	85,000
Operating	3,076,086	3,385,575	3,016,553	3,461,585	3,272,520
Purchase of Power	12,060,954	12,543,680	12,217,449	12,543,680	12,436,200
Capital Outlay	-	1,514,035	1,442,870	1,125,000	870,000
Debt Service	67,686	517,995	671,627	504,120	804,420
Transfers	-	-	-	-	34,300
Total	\$ 18,329,684	\$ 20,988,520	\$ 20,337,456	\$ 20,871,420	\$ 20,819,985

BUDGET HIGHLIGHTS

- ❖ Personnel reflects full year of salary and benefits for the Electric Systems Division Manager added in FY 17-18
- ❖ Professional services increase attributed to an updated electric rate study
- ❖ Capital includes costs for line construction/system improvements and a 3 reel trailer



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. To provide a reliable Electric Distribution system and ensure lighting is maintained
 - Perform routine maintenance on Distribution system
 - Repair street/parking lot lighting when notified
 - Perform residential energy audits
 - Perform commercial energy audits
 - Complete RF Disconnect meter change out

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Percentage of distribution system being maintained	15%	4%	15%
Street lights repaired when reported	98%	94.3%	100%
Perform residential energy audits	35	13	7
Perform commercial energy audits	7	1	12
Perform RF disconnect meter change out	100%	66.9%	50%

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Percentage of reported street lights repaired	98%	97.7%	100%
Maintenance and audit on electric system	15%	2%	15%
Number of residential energy audits performed	35	4	48
Number of commercial energy audits performed	7	1	12
Number of RF meters changed to disconnect meters	35	340	508

TREE TRIMMING DIVISION SUMMARY

The Tree Trimming division provides tree trimming line clearance and maintenance for Wake Forest Power. Trimming is also performed for Planning Department, Street Division, Urban Forestry and Parks and Recreation.

PURPOSE STATEMENT

Preserve existing tree and vegetative cover to protect the health safety and welfare of the public by preserving the visual and aesthetic qualities.

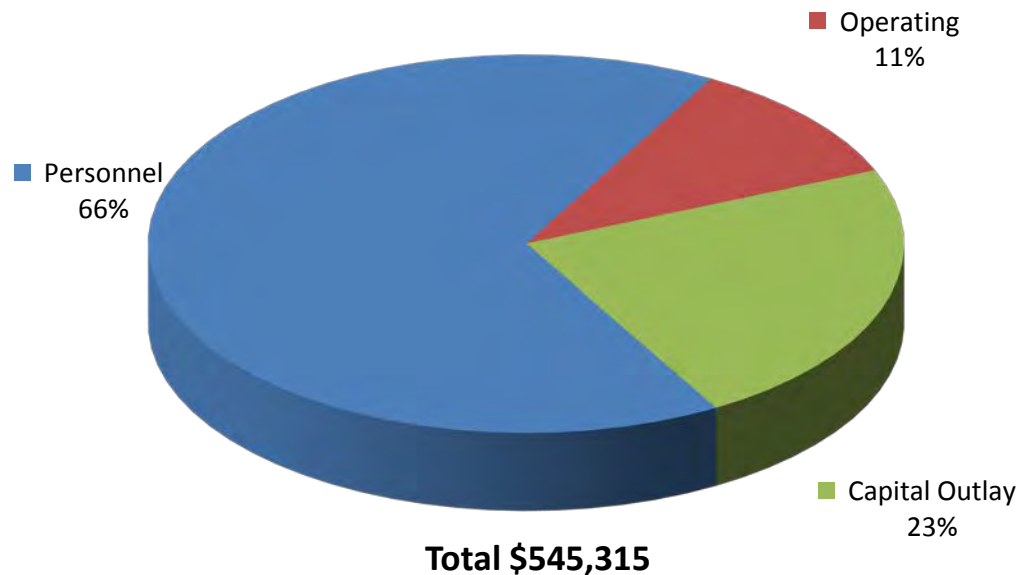
DEPARTMENT SUMMARY

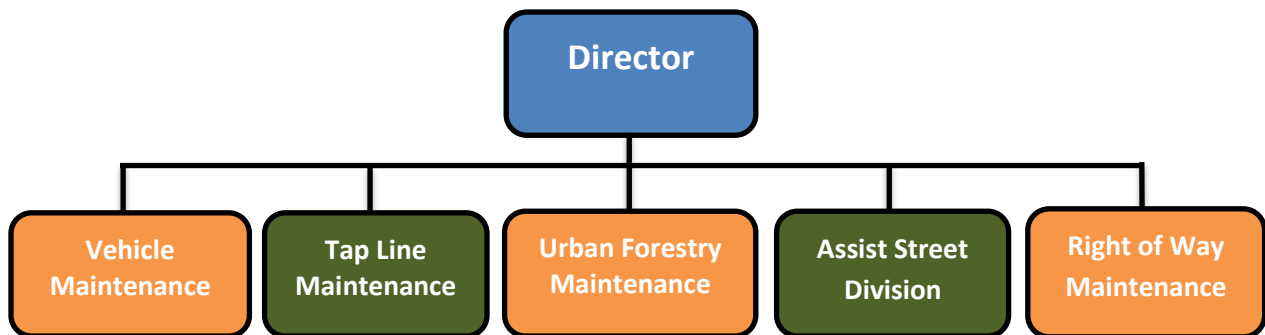
Tree Trimming	FY 2017 Actual	FY 2018 Budget	FY 2018 Projected	FY 2019 Requested	FY 2019 Proposed
Personnel	\$ 193,316	\$ 273,730	\$ 213,141	\$ 309,830	\$ 362,345
Operating	30,801	56,850	53,476	59,050	57,470
Capital Outlay	-	215,000	190,520	125,500	125,500
Total	\$ 224,116	\$ 545,580	\$ 457,137	\$ 494,380	\$ 545,315

BUDGET HIGHLIGHTS

- ❖ Personnel reflects full salary and benefits of the Tree Trimming positions added in FY 17-18
- ❖ Capital outlay includes replacement of equipment (track hoe)

FY 2018 - 2019 – Budget



DEPARTMENTAL FUNCTIONS:**GOALS AND KEY PERFORMANCE OBJECTIVES:**

1. To provide for a reliable Electric Distribution System
 - Perform routine tree trimming on main Distribution circuits
 - Perform routine tree trimming on tap lines
 - Perform routine tree trimming for Urban Forestry
 - Assist Street Division on tree removal requests

KEY WORKLOAD INDICATORS:

Workload Indicators	FY 17 Actual	FY 18 YTD	FY 19 Target
Number of trees removed – Utility	471	106	125
Number of trees trimmed – Utility	404	680	275
Number of trees removed – Urban Forestry	112	31	40
Number of trees trimmed – Urban Forestry	6	6	450
Number of trees removed – Street Division	6	43	10
Number of trees trimmed – Street Division	11	60	20
Right of Way maintained – Utility	8,541	6,567	7,000
Right of Way maintained – Urban Forestry	200	25	25

KEY PERFORMANCE MEASURES:

Performance Measures	FY 17 Actual	FY 18 YTD	FY 19 Target
Percentage of distribution circuits trimmed	45%	13%	45%
Percentage of tap lines trimmed	25%	9%	25%
Ensure work has been completed correctly without a return visit	100%	100%	50%
Number of trees trimmed/removed Street Division	17	96	30

CAPITAL OUTLAY SUMMARY

Fiscal Year 2018-2019

The following capital expenditures are included in the budget.

Department/Division	CIP #	Description	P/T	Amount
General Fund:				
Communications	GG-3	Audio Visual Upgrades - Board Chambers	M-2	\$100,000
Downtown Development	n/a	Tree Lights and Installation	n/a	12,000
	n/a	Downtown Replacement Banners	n/a	15,000
	n/a	Dumpster Fencing - Town Lot on Jones Avenue	n/a	10,000
Inspections	GG-5	Vehicle Addition	M-3	30,000
Planning	n/a	Plotter/Printer	n/a	11,450
Public Facilities	n/a	Parking Lot Maintenance - Flaherty	n/a	10,000
	n/a	Welder/Generator for Vehicle	n/a	9,000
Public Safety	VR	Vehicle Replacements, Taxes and Tags, Cameras (8)	M-2	270,300
	PS-1	Vehicle Additions for New Officer, Taxes and Tags, Cameras (12)	H-3	540,600
	n/a	Body Cameras	n/a	6,000
Engineering	VR	Vehicle Replacement (#5405)	M-3	39,500
Streets	S-2	Transportation - New Sidewalks	M-3	80,000
	VR	Storm Drain Camera System (#5602)	M-2	95,000
	n/a	Gator/All Terrain Vehicle (ATV)	n/a	23,500
Sanitation	n/a	Gator/All Terrain Vehicle (ATV)	n/a	23,500
Parks and Recreation	BOC	Soccer Field Playing Surface Repair	H-2	80,000
	PRCR-2	Spray/Multi-use Vehicle	M-3	38,000
	PRCR-3	Tri-Plex Reel Mower	M-3	34,000
	VR	Equipment Replacement (#6208)	M-3	13,500
	VR	Equipment Replacement (#6207)	M-3	13,500
	VR	Dump Truck Replacement (#6205)	M-3	65,000
General Fund - Subtotal				1,519,850
Electric Fund:				
Operations:	E-1	Line/Construction System Improvements	M-2	800,000
	E-2	3 Reel Trailer	M-3	70,000
Tree Trimming:	VR	Trackhoe Replacement (#8605)	M-3	125,500
Electric Fund - Subtotal				995,500
GRAND TOTAL				\$ 2,515,350

INTRODUCTION

DEFINITION: The Capital Improvements Plan (CIP) is a five year plan identifying the Town's capital improvement needs. As a long range plan, the CIP reflects the Town's policy regarding long range physical and economic development. By providing a planned schedule of public improvements, the CIP outlines present and future public needs and priorities. A capital improvement is defined as any expenditure for equipment, buildings, infrastructure, land acquisition, plan or project in which the cost exceeds \$25,000 and the estimated useful life is greater than 1 year.

CAPITAL IMPROVEMENT PLAN PROCESS: Capital project planning is an ongoing process. Each year the CIP document is updated. The need or idea for capital improvements can originate from the Mayor, Board, Citizens, or Town staff. These items are compiled into this document and presented to the Board of Commissioners on an annual basis. Through the annual planning retreat and work session(s), the Board focuses on prioritizing the first year's expenditures. Once the CIP is approved, it outlines the Town's official commitment to funding these expenditures in the upcoming budget. During the annual budget process in the spring, the first year projects are refined and a financing plan is put into place within the budget to fund those expenditures.



FUNCTIONS OF THE CIP: A CIP must be updated each year. Adopting a CIP does not end with the first year. Changing needs and priorities, emergencies, cost changes, mandates and changes in technology all require the CIP to be updated annually. The Town's public facilities, streets, parks, infrastructure, equipment, etc., are constantly in need of repair, replacement or expansion. A growing population will require additional or new facilities. These reasons require that the CIP be updated to maintain the financial solidity of the Town. The Town of Wake Forest's staff has updated the CIP each year since adopting the first document in 1985. The CIP achieves the following objectives as a component of the Town's budget and financial planning process:

- Reduces the need for “crash programs” to finance the construction of Town facilities
- Focuses attention on community goals, needs and capabilities
- Achieves optimum use of taxpayer dollars
- Guides future community growth and development
- Advance planning ensures that projects are well thought out in advance of construction
- Provides for the orderly replacement of capital items
- Encourages a more efficient governmental administration as well as maintains a sound and stable financial program

CAPITAL IMPROVEMENT PLAN – FISCAL POLICY EXCERPT:

- The Town will prioritize all capital improvements in accordance with an adopted Capital Improvement Plan (CIP).
- The Town will develop a five-year plan for capital improvements and review capital improvements and review and update annually.
- The Town will coordinate development of the capital improvements program with development of the operating budget.
- The Town will use intergovernmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and Town priorities.
- The Town will maintain all its assets at a level adequate to protect the Town’s capital investment and to minimize future maintenance and replacement costs.
- The Town will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.
- The Town will attempt to determine the least costly and most flexible method for all new projects.
- Additional information on the CIP will be highlighted within the Capital Improvements section of the annual budget document.

PUBLIC ART ORDINANCE – OVERVIEW: The Town of Wake Forest recognizes the importance of facilitating the creation and installation of art for public spaces that evokes social and aesthetic interaction. It is intended that works of Public Art will enliven public space, promote community identity and sense of place, and contribute to a vibrant and engaging Town. The goal for the Public Art Program is a transparent and directed public process for commissioning and acquiring art for public spaces that will contribute to the Town’s cultural and economic vitality. The allocation will be calculated at one percent (1%) of the total eligible project cost. Eligible projects under this ordinance include architectural and engineering fees, site work, direct construction costs and contingency allowances for a Capital Project, but shall exclude land or building acquisitions, taxes, legal fees, insurance costs, costs of compliance with regulatory requirements, and other costs unrelated to actual construction; and shall also exclude the cost of subsequent changes to the project unless any single subsequent changes exceeds fifteen (15%) percent of the initial budgeted cost of the Capital Project.

MAINTENANCE OF TOWN ASSETS: Capital assets include major government facilities, infrastructure, equipment and networks that enable the delivery of public sector services. The performance and continued use of these capital assets is essential to the health, safety, economic development and quality of life of those receiving services.

Budgetary pressures often impede capital program expenditures or investments for maintenance and replacement, making it increasingly difficult to sustain the asset in a condition necessary to provide expected service levels. Ultimately, deferring essential maintenance or asset replacement could reduce the organizations ability to provide services and could threaten public health, safety and overall quality of life. In addition, as the physical condition of the asset declines, deferring maintenance and/or replacement could increase long-term costs and liabilities.

It is with this in mind that the town staff has implemented an “Asset Maintenance” section. This section is used to present planned maintenance projects that bear significant financial implications, which will allow management to better plan for the town’s future needs. The overall CIP document is used to account for upcoming projects, expansion of those currently and major financial purchases. However, as the town continues to sufficiently manage the operating costs the need to maintain our aging assets remains.

VEHICLE REPLACEMENT: In addition to the other capital improvement projects included in the CIP Update, there are other major types of vehicles and equipment which are a substantial financial investment and need to be handled in the most economic manner. Therefore, the Town chooses to incorporate these items into the CIP update. Vehicles and/or equipment are evaluated primarily based on age, mileage operation & maintenance cost. There are, however, several additional factors which must be considered in determining these replacements: fuel costs, condition, safety, life of equipment, etc.

THE CIP UPDATE: The document that follows is the update to the CIP and covers the (5) fiscal years 2018-19 through 2022-23. This document contains capital expenditure requests from each department/division for items that cost over \$25,000 and generally have a useful life of five (5) years or more.

This section of the CIP includes a description of the prioritization system, a summary by funding level for the fiscal year 2018-19 and a summary by department/division and fund for each of the five fiscal years. The remainder of the document contains summary information for each department/division with the supporting information on capital project request forms.

PRIORITIZATION SYSTEM

PRIORITIZATION MATRIX: The priority system includes a matrix shown below. This system was developed to assist in the setting of priorities for capital expenditures because not all requests can be funded in any given year due to budgetary constraints.

Criteria	Priority		
	High	Medium	Low
	1	Level A	
	2		Level B
	3		
	4		Level C

The matrix contains a measure of priority on the horizontal axis and a determination of criteria category on the vertical axis. **Priorities** of the capital projects are measured as high, medium or low as follows:

HIGH: Project mandated by local, state, or federal regulations, or
Project is a high priority of the Town Board, or
Project substantially reduces losses or increases revenues.

MEDIUM: Project maintains existing service levels, or
Project results in better efficiency or service delivery, or
Project reduces operational costs, or
Project improves work force morale.

LOW: Project is not mandated, or
Project improves service levels, or
Project improves quality of life.

CRITERIA CATEGORIES:

- I. **Health/Safety/Welfare** - projects that protect the health, safety and welfare of the community and the employees serving it.
- II. **Maintenance/Replacement** - projects that provide for the maintenance of existing systems and equipment.
- III. **Expansion of Existing Programs** - projects which enhance the existing systems and programs allowing for expansion of existing services.
- IV. **Expansion of New Programs** - projects that allow for expansion into new programs and services.

LEVEL OF FUNDING: The grid is further divided into levels:

Level A - highest consideration for funding,
Level B - moderate consideration,
Level C - least consideration for funding resources.

Capital Improvement Plan
FUNDING LEVEL SUMMARY
FISCAL YEAR 2018-2019

PAGE	DEPARTMENT/Division	PROJECT DESCRIPTION	PRIORITY TYPE	1ST YEAR CAPITAL COST	EXTERNAL FUNDING	PROPOSED BUDGET
LEVEL A						
GG-2	General Government	Downtown Streetscape Improvements	H-2	\$ 1,671,700	\$ -	\$ 1,000,000
GG-3	General Government	Board Chambers - Audio Visual (AV)/Camera System	M-1	43,500	-	100,000
PRCR-4	PRCR	Soccer Field Playing Surface Repair	H-2	80,000	-	80,000
AM-1	Asset Maintenance	Metal Roof at Main Police Department	H-2	40,000	-	40,000
AM-2	Asset Maintenance	Street Maintenance and Resurfacing	H-2	1,625,600	-	1,625,600
AM-3	Asset Maintenance	North Main Stormwater Repair and Roadway Rehab	H-1	125,000	-	125,000
AM-4	Asset Maintenance	Town Hall	H-2	75,000	-	-
AM-7	Asset Maintenance	Richland Creek Greenway Stream Repair and Repave	H-2	115,000	16,935	16,935
AM-11	Asset Maintenance	Smith Creek Soccer Center Improvements	H-2	400,000	-	-
TOTAL LEVEL A				4,175,800	-	2,987,535
LEVEL B:						
GG-4	General Government	Vehicle Addition (Engineering)	M-3	35,000	-	39,500
GG-5	General Government	Vehicle Addition (Inspections)	M-3	30,000	-	30,000
GG-6	General Government	Site Acquisition and Development	H-4	1,000,000	-	-
IT-2	Information Technology	License Fees and Software Upgrades	M-3	35,000	-	-
IT-4	Information Technology	Fiber Infrastructure Project	H-4	1,650,000	-	-
PF-1	Public Facilities	Senior Center Expansion	H-3	2,575,500	2,530,400	2,575,500
PF-2	Public Facilities	Senior Center Furniture	H-4	250,000	-	-
PF-3	Public Facilities	Operation Center Expansion/Relocation	H-3	500,000	-	-
PS-1	Public Safety	Patrol Vehicles - Additions	H-3	456,000	-	540,600
T-1	GTP	Greenway and Park Signage (Phase 1)	H-3	200,000	200,000	200,000
T-2	GTP	Stadium Drive Complete Streets	H-3	5,449,900	3,659,700	3,659,700
T-3	GTP	Roadway Connections	M-3	505,000	-	33,200
T-4	GTP	Wait & W. Oak Avenue	H-3	1,209,300	864,500	1,259,500
T-5	GTP	Ligon Mill Operational Improvements (Phase 1)	H-3	990,900	829,300	829,300
T-6	GTP	Ligon Mill Road Pedestrian Underpass	H-3	5,720,000	5,670,000	5,670,000
T-7	GTP	Durham Road Operational Improvements	H-3	252,000	252,000	252,000
T-10	GTP	Smith Creek Greenway (Phase 2)	H-3	346,000	343,500	343,500
T-11	GTP	Traffic/Pedestrian Signals	M-2	332,500	62,500	62,500
T-9	GTP	Smith Creek Greenway (Phase 3)	H-3	170,000	170,000	170,000
PRCR-1	PRCR	Joyner Park Phase 2	H-3	8,254,400	7,245,000	7,745,000
PRCR-2	PRCR	Sprayer/Multi Use Vehicle	M-3	38,000	-	38,000
PRCR-3	PRCR	3 Unit Reel Mower	M-3	34,000	-	34,000
VR	General Government	Vehicle Replacements	M-3	1,066,500	-	457,300
E-1	Electric	Line Construction/System Improvements	M-2	1,000,000	-	800,000
E-2	Electric	Three Reel Wire Trailer	M-3	70,000	-	70,000
VR	Electric	Vehicle Replacements	M-3	180,500	-	125,500
FM-3	Fleet Maintenance	Hand Held & Vehicle Mounted Radios	M-3	155,000	-	-
S-2	Streets	Transportation Sidewalk Additions	M-3	80,000	-	80,000
S-1	Streets	Town Roadway Lighting	M-3	50,000	-	-
****	Asset Maintenance	Stormwater Inventory Maintenance	M-2	100,000	-	50,000
AM-8	Asset Maintenance	Transportation Sidewalk Repairs	M-2	100,000	-	-
TOTAL LEVEL B				32,835,500	21,826,900	25,065,100

Capital Improvement Plan
FUNDING LEVEL SUMMARY
 FISCAL YEAR 2018-2019

PAGE	DEPARTMENT/Division	PROJECT DESCRIPTION	PRIORITY TYPE	1ST YEAR CAPITAL COST	EXTERNAL FUNDING	PROPOSED BUDGET
		GRAND TOTALS		<u>\$ 37,011,300</u>	<u>\$ 21,826,900</u>	28,052,635
		Amount funded outside General Fund/Electric Fund				(25,197,735)
		Other amounts funded, not included in the 1st Year Capital Improvement				120,450
		Amounts funded in non-capital outlay General Fund/Electric Fund account				(460,000)
		Reconciled to Capital Outlay Summary Presented				<u>\$ 2,515,350</u>

***Bold** denotes a project with GO Bond 2014 allocation included

*External funding represents **ONLY** amounts that have been secured or officially awarded to the Town (i.e. Grants Awarded and Authorized Bond Funding). Projects with bond authorization funding will be presented until the debt is actually issued.

Capital Improvement Plan
FUNDING SUMMARY

DIVISION DESCRIPTION	PRIOR	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	TOTALS	Beyond 2023 Memo Only
USES:								
<i>GENERAL FUND</i>								
General Government	\$ 946,500	\$ 2,780,200	\$ 3,941,100	\$ 7,500,000	\$ 1,119,900	\$ 4,500,000	\$ 20,787,700	\$ 21,204,800
Information Technology	145,000	1,685,000	1,530,000	180,000	180,000	1,430,000	5,150,000	25,000
Public Facilities	769,600	3,325,500	618,200	2,436,000	2,218,200	22,765,000	32,132,500	23,496,900
Public Safety	-	456,000	-	390,000	-	1,325,000	2,171,000	-
Transportation	8,933,000	14,843,100	1,969,800	10,769,000	11,170,000	7,980,500	55,665,400	39,915,000
Parks and Recreation	1,220,000	8,326,400	6,025,800	454,000	427,500	1,415,000	17,868,700	20,466,900
Streets Division	30,000	130,000	130,000	130,000	325,000	245,000	990,000	-
Fleet Division	-	155,000	-	-	-	-	155,000	-
Environmental Services	-	-	200,000	-	205,000	-	405,000	-
Asset Maintenance	1,173,600	2,080,600	1,543,300	1,620,000	3,120,700	6,291,900	15,830,100	3,163,400
Vehicle/Equipment Replacements	-	1,066,500	1,567,500	1,412,700	1,333,000	1,282,500	6,662,200	3,946,000
	13,217,700	34,848,300	17,525,700	24,891,700	20,099,300	47,234,900	157,817,600	112,218,000
<i>ELECTRIC FUND</i>								
Electric/Tree Trimming	\$ 775,000	\$ 1,070,000	\$ 1,100,000	\$ 1,290,000	\$ 1,465,000	\$ 1,465,000	\$ 7,165,000	\$ -
Vehicle/Equipment Replacements	-	180,500	881,500	184,500	40,500	652,500	1,939,500	1,171,000
TOTAL USES	\$ 13,992,700	\$ 36,098,800	\$ 19,507,200	\$ 26,366,200	\$ 21,604,800	\$ 49,352,400	\$ 166,922,100	\$ 113,389,000
SOURCES:								
<i>GENERAL FUND</i>								
Current G.O. Referendum - Issued	1,492,225	399,400	37,500	-	-	-	1,929,125	-
Current G.O. Referendum - Not Yet Issued	2,699,100	11,477,500	3,387,000	733,400	-	-	18,297,000	406,000
Future G.O. Referendum - Estimated	465,800	1,262,000	665,100	6,546,700	8,792,800	6,261,300	23,993,700	33,860,800
Future Installment Purchase - Other	2,083,900	3,726,200	3,319,600	1,750,000	2,370,400	22,725,000	35,975,100	22,750,000
Future Installment Purchase - Vehicles/Equipment	-	1,659,500	1,992,500	1,936,700	1,765,500	1,887,500	9,241,700	3,946,000
Grant Funds - Awarded	3,438,700	9,759,500	619,700	1,515,600	1,035,500	-	16,369,000	-
Grant Funds - Future Application/Application Submitted	-	1,582,600	1,005,000	2,963,800	4,717,800	6,589,200	16,858,400	29,651,100
Capital Reserve Funds	52,000	672,400	1,750,000	-	-	320,000	2,794,400	3,713,000
Futures Fund	-	1,000,000	-	-	-	-	1,000,000	-
Downtown Municipal Service Districts	-	-	50,000	-	-	-	50,000	-
Pay As You Go - User Fees/Other Revenues/Reserves	-	560,000	50,000	50,000	50,000	-	710,000	-
Special Obligation Bonds	-	-	-	7,500,000	-	3,750,000	11,250,000	12,750,000
Other Available Sources (Timing & Amounts TBD)	2,985,975	2,749,200	4,649,300	1,895,500	1,367,300	5,701,900	19,349,175	5,141,100
<i>ELECTRIC FUND</i>								
Vehicles/Equipment Installment Purchase	-	180,500	881,500	184,500	40,500	652,500	1,939,500	1,171,000
Pay As You Go - User Fees/Other Revenues/Reserves	775,000	1,070,000	1,100,000	1,290,000	1,300,000	1,400,000	6,935,000	-
Installment Purchase	-	-	-	-	165,000	65,000	230,000	-
TOTAL SOURCES	\$ 13,992,700	\$ 36,098,800	\$ 19,507,200	\$ 26,366,200	\$ 21,604,800	\$ 49,352,400	\$ 166,922,100	\$ 113,389,000

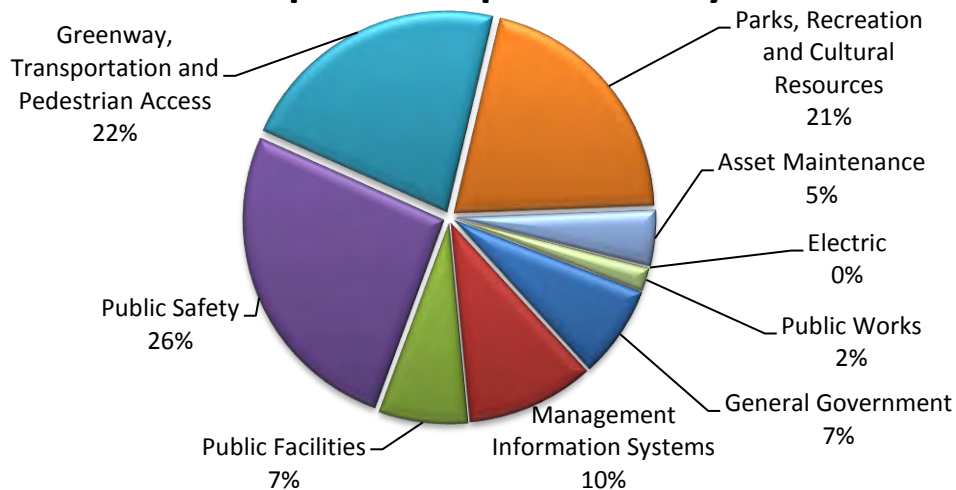
FY 2018 – 2023 Capital Improvements Plan Update

Projected Impact on Operations

An important factor to consider when developing a capital improvements plan is the financial impact that the proposed projects will have on the Town's operating budget. While some projects will have little to no staffing or operating impact, others may bear significant additional annual costs. These costs include, but are not limited to: debt service (principal and interest), additional staffing, fuel, maintenance and repair, utility services, contract/service agreements and supplies. It is, however, important to keep in mind that while some projects add to the cost of operations, there are projects which will provide a cost savings benefit to the town (i.e. energy efficiency). In developing these projections town staff have taken both of these into consideration.

FUNCTION	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	Total
General Government	\$ 6,750	\$ 17,250	\$ 508,000	\$ 508,000	\$ 691,000	\$ 1,731,000
Management Information Systems	(1,250)	597,750	598,000	598,250	598,000	2,390,750
Public Facilities	256,600	328,350	357,600	359,100	359,100	1,660,750
Public Safety	526,221	873,364	1,176,907	1,545,679	1,963,616	6,085,787
Greenway, Transportation and Pedestrian Access	-	193,000	744,000	1,861,000	2,338,000	5,136,000
Parks, Recreation and Cultural Resources	45,000	744,000	1,330,000	1,355,500	1,355,500	4,830,000
Asset Maintenance	-	-	252,500	362,500	430,000	1,045,000
Electric	-	-	-	-	19,500	19,500
Public Works	-	-	110,500	110,500	221,000	442,000
	\$ 833,321	\$ 2,753,714	\$ 5,077,507	\$ 6,700,529	\$ 7,975,716	\$ 23,340,787

5 Year Impact on Operations by Function



The data above displays the projected additional cost of operations over the next five years related to the current capital improvement submissions. The majority of the impact on operations is for the additional debt service which is related to the current bond authorization, as well potential future bond referendums and other debt issuance (i.e. installment purchase agreements).



TOWN *of*
WAKE FOREST

BUDGET PROCESS

OVERVIEW

The Town's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, Special Revenue and the Enterprise Funds. Project ordinances are adopted for Capital Project funds and proprietary capital improvements. All budgets are prepared using the modified accrual basis of accounting.

Budgetary control is executed at the department level or by project. The Town Manager is authorized by the budget ordinance to transfer appropriations between functional areas within a fund without limitation and may transfer appropriations up to \$50,000 between financial areas within a fund with an official reporting to the Board. During the year, several amendments to the original budget are necessary, the effects of which are not material.

PROCEDURES

The Town's budget process begins in November, at which time the CIP materials and instructions are distributed to the departments. All departments receive their operating budget materials and instructions in February.

Department Directors are responsible for estimating departmental expenditures and providing their department's current performance measure data. The Chief Financial Officer and Assistant Finance Director will determine revenue projections. The budget reflects the service priorities of the Board and the Citizens of the Town of Wake Forest. The service needs of the community are determined by public hearings and feedback through the Mayor and the Board of Commissioners. After final service priorities have been established and agreed upon, a balanced funding plan is formulated. Through careful assessment of funding requirements, financing methods, and current performance measure data, a proposed budget document is organized into final format and submitted to the Board for their consideration and approval.

The Board reviews the proposed budget with the Town Manager and staff during the Town's work session. A copy of the proposed budget is also filed with the Town Clerk for public review and also on the Town's website. A public hearing is scheduled prior to the formal adoption of the budget. Adoption of the budget by the Board of Commissioners establishes the legal authority to incur expenditures in the ensuing fiscal year. All annual appropriations lapse at fiscal year-end.

BUDGET CALENDAR

A budget calendar is included in the North Carolina General Statutes which prescribes the last day on which certain steps of that budget procedure are to be performed. The following schedule lists the tasks to be performed and the date by which each is required to be completed.

NOVEMBER

1. Distribute CIP budget materials to the Department Directors.
2. CIP Public Hearing on capital needs held.

DECEMBER

1. Complete and return CIP budget request to Finance Department.
2. Meet with Department Directors to review CIP budget requests.

FEBRUARY

1. Public Hearing to receive input on CIP budget.
2. Adoption of the CIP update.
3. Distribute budget packages to Department Directors.
4. Public Hearing to receive input on budget needs.

MARCH

1. Complete and return budget request to Finance Department.

APRIL

1. Meet with Department Directors to review budget requests.

April 30 – Each Department Director will transmit to the budget officer the budget requests and the revenue estimates for their department for the budget year.

April – May

1. Finalize proposed budget.

MAY

1. Present proposed budget to Board of Commissioners
2. Public Hearing on budget proposal.

JUNE

1. Conduct budget work sessions with Board of Commissioners
2. Adopt Budget Ordinance

June 1 – The budget and the budget message shall be submitted to the governing board. The public hearing on the budget shall be scheduled at this time.

July 1 – The budget ordinance shall be adopted by the governing board.

BASIS OF BUDGETING

The accounts of the Town of Wake Forest are organized on the basis of funds and account groups. A fund is an independent fiscal and accounting entity, with a self-balancing set of accounts comprised of assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The account groups are not funds but are a reporting device used to account for certain assets and liabilities of the governmental funds that are not recorded directly in those funds.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Specifically, it relates to the timing of the measurements made, regardless of the measurement focus applied.

In accordance with North Carolina General Statutes, all funds of the Town are maintained during the year using the modified accrual basis of accounting. The governmental fund types are presented in the financial statements using the same basis of accounting.

Governmental fund audited financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measureable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Proprietary funds use the accrual basis of accounting. Under this basis, revenues are recognized in the period earned and expenses are recognized in the period in which they are incurred.

BUDGET TRANSFERS & AMENDMENTS

Full implementation of the budget begins immediately on July 1. Pursuant to General Statute 159-15, the budget may be amended by submission of proposed changes to the Town Board. The Town Manager is authorized to transfer funds from one appropriation to another within the same fund in an amount not to exceed \$50,000. Any revisions to transfer budgeted amounts over \$50,000 or that alter the total expenditures of any fund must be approved by the Town Board before being recorded. Budget amendments and transfers must adhere to balanced budget requirements.

ENCUMBRANCES

As required by North Carolina General Statutes, the Town maintains encumbrance accounts, which are considered “budgetary accounts” under which purchase orders, contracts and other commitments for expenditures of funds are recorded in order to reserve that portion of applicable appropriation. Encumbrances outstanding at year-end represent the estimated amounts for the expenditures ultimately to result in unperformed contracts in process at year-end to be completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. These encumbrances outstanding are reported as “restricted” in the fund balance section of the balance sheet and will be charged against the subsequent year’s budget.

BASIS OF BUDGETARY ACCOUNTING

Budgetary accounting is used for management control of all funds of the Town. Annual budget ordinances are adopted on the modified accrual basis of accounting at the fund level and amended as required for the operations of the General, Special Revenue and Enterprise Funds.

FUND ACCOUNTING SUMMARY									
FUND TYPE	BUDGET APPROPRIATION	BASIS OF ACCOUNTING	BUDGETARY ACCOUNTING	General Government	Public Safety	Transportation	Environmental Protection	Cultural and Recreation	Debt Service
General Fund	Annual	Modified Accrual	Modified Accrual	X	X	X	X	X	X
Special Revenue	Annual	Modified Accrual	Modified Accrual	X	X	-	-	-	-
Capital Projects	Multi-year	Modified Accrual	Modified Accrual	X	-	X	-	X	-
Enterprise	Annual	Accrual	Modified Accrual	X	-	-	-	-	X

GOVERNMENTAL FUNDS – used to account for governmental functions. Governmental funds include the following fund types:

General Fund

The General Fund is the general operating fund of the Town. It is used to account for expenditures and all financial resources for services to the public, except for those required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, state grants and various other taxes and licenses. The primary expenditures are for public safety, streets maintenance and construction, sanitation services and general governmental functions.

Special Revenue Fund

The Special Revenue Funds are used to account for resources that are legally restricted to expenditures for specified purposes. Restrictions on resources may be federal, state or local; a special revenue fund is established when required by legal mandate or sound financial management practices. These are non-major funds of the Town. The Town currently maintains the following Special Revenue Funds: Downtown Municipal Service District, Police Department Special Funds, Wake Forest Renaissance Centre, Grants Fund and IDC-Futures Fund.

Capital Project Funds

The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major facilities (other than those financed by proprietary funds). These funds are used for the tracking of large non-recurring capital projects which are outside of the General Fund. Included in this classification are the Town's Capital Reserve Funds. The Capital Reserve Funds are used to set aside money to pay for large expenditure items and functions. These are non-major funds of the Town.

PROPRIETARY FUNDS – used to account for business-type activities. Proprietary funds include the following fund types:

Enterprise Funds

The Enterprise Funds account for those operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The Town has one Enterprise Fund: Electric

Fund and Town Organizational Structure Relationship

	General Fund	Electric Fund	Downtown Municipal Service District	Wake Forest Renaissance Centre
Administration	X	X		
Downtown Development	X		X	
Economic Development	X			
Renaissance Centre				X
Communications	X			
Finance	X	X		
Human Resources	X			
Information Technology	X			
Public Facilities	X			
Engineering	X			
Inspections	X			
Planning	X			
Public Safety	X			
Parks, Recreation and Cultural Resources	X			
Public Works Administration	X	X		
Fleet	X	X		
Environmental Services	X			
Streets	X			
Wake Forest Power		X		

FISCAL POLICY GUIDELINES

ADOPTED POLICIES

The Town maintains a number of financial and management policies providing guiding principles and goals that will influence financial management practice of the Town as approved by the Board of Commissioners. A fiscal policy that is adopted, adhered to, and regularly reviewed is recognized as the cornerstone of sound financial management which:

1. Contributes significantly to the Town's ability to insulate itself from fiscal crisis,
2. Enhances short-term and long-term financial credit ability by helping to achieve the highest credit and bond ratings possible,
3. Promotes long-term financial stability by establishing clear and consistent guidelines,
4. Directs attention to the total financial picture of the Town rather than single issue areas,
5. Promotes the view of linking long-run financial planning with day to day operations and
6. Provides the Board of Commissioners, citizens and management a framework for measuring the fiscal impact of government services against established fiscal parameters and guidelines.

BUDGETARY

1. Each year the Town will develop the operating budget in conjunction with strategic goals established at the annual Board planning retreats, as well as state programs of performance objectives and measures with which to gauge progress toward meeting those objectives.
2. Electric rates will be established at the appropriate level to enable related funds to be self-supporting.
3. One-time or other special revenues will not be used to finance continuing Town operations, but instead will be used for funding special projects.
4. The Town will pursue an aggressive policy seeking the collection of delinquent utility, license, permit and other fees due to the Town.
5. The Board of Commissioners will receive a financial summary each month showing year-to-date revenues and expenditures and comparing each amount to the budget as amended.

Balanced Budget:

According to North Carolina General Statute, local governments are required to present and operate under an annual balanced budget ordinance. A budget ordinance is balanced when the sum of estimated net revenues and appropriated fund balances is equal to expenditure appropriations.

CAPITAL IMPROVEMENT PLAN

1. The Town will prioritize all capital improvements in accordance with an adopted Capital Improvement Plan (CIP).
2. The Town will develop a five-year plan for capital improvements and review capital improvements and review and update annually.
3. The Town will coordinate development of the capital improvements program with development of the operating budget.
4. The Town will use intergovernmental assistance to finance only those capital improvements that are consistent with the capital improvement plan and Town priorities.
5. The Town will maintain all its assets at a level adequate to protect the Town's capital investment and to minimize future maintenance and replacement costs.
6. The Town will identify the estimated costs and potential funding sources for each capital project proposal before it is submitted for approval.
7. The Town will attempt to determine the least costly and most flexible method for all new projects.

CASH MANAGEMENT AND INVESTMENT

1. It is the intent of the Town that public funds will be invested to the extent possible to reduce the need for property tax revenues. Funds will be invested with the chief objectives of safety of principal, liquidity and yield, in that order. All deposits and investments of Town funds will be in accordance with N.C.G.S. 159.
2. The Town will use a central depository to maximize the availability and mobility of cash for all funds that can be legally and practically combined.
3. Cash flows will be forecasted and investments will be made to mature when funds are projected to be needed to meet cash flow requirements.
4. Liquidity: No less than 20% of funds available for investment will be maintained in liquid investments at any point in time.
5. Maturity: All investments will mature in no more than thirty-six (36) months from their purchase date.
6. Custody: All investments will be purchased "payment-versus-delivery" and if certificated will be held by the Chief Financial Officer in the name of the Town. All non-certificated investment will be held in book-entry form in the name of the Town with the Town's third party custodian (safekeeping agent).
7. Authorized Investments: The Town may deposit Town funds into: Any Board approved official depository, if such funds are secured in accordance with NCGS-159 (31). The Town may invest Town funds in: the North Carolina Capital Management Trust, US Treasury Securities, US

Agency Securities specifically authorized in GS-159 and rate no lower than “AAA”, and Commercial Paper meeting the requirements of NCGS-159 plus having a national bond rating.

8. Diversification: No more than 5% of the Town’s investment funds may be invested in a specific company’s commercial paper and no more than 20% of the Town’s investment funds may be invested in commercial paper. No more than 25% of the Town’s investments may be invested in any one US Agency’s Securities.
9. Allocation: Investment income will be allocated to each participating fund or account based on a fair and equitable formula determined by the Chief Financial Officer.
10. Reporting: The Board of Commissioners will receive copies of the Town’s “Report of Deposits and Investments” (LGC Form 203) filed semi-annually with the Local Government Commission.

DEBT MANAGEMENT

1. The Town will confine long-term borrowing to capital improvement or projects that cannot be financed from current revenues except where approved justification is provided.
2. The Town will utilize a balanced approach to capital funding utilizing debt financing, draws on capital reserves and/or fund balances in excess of policy targets, and current year (pay-as-you-go) appropriations.
3. When the Town finances capital improvements or other projects by issuing bonds or entering into capital leases, it will repay the debt within a period not to exceed the expected useful life of the project. Target debt ratios will be annually calculated and included in the review of financial trends.
4. Where feasible, the Town will explore the usage of special assessment revenue or other self-supporting bonds instead of general obligation bonds.
5. Where feasible, the Town will limit the amount of debt issued within the respective calendar year to remain bank qualified per Internal Revenue Service (IRS) guidelines.
6. Net debt as a percentage of total assessed value of taxable property should not exceed 2%. Net debt is defined as any and all debt that is supported by tax revenues.
7. The ratio of debt service expenditures as a percent of total governmental fund expenditures should not exceed 15% with an aggregate ten (10) year principal payout ratio target of 60% or better.

RESERVE POLICY

Reserve funds will be established and maintained to ensure the continued delivery of Town services. The Town desires to maintain a prudent level of financial reserves to guard its citizens against service disruption in the event of temporary revenue shortfalls or unexpected one time expenditures. The reserves have been accumulated to provide stability and flexibility, to respond to unexpected adversity and/or opportunities, and to stabilize fluctuations in operations' cash flows and rates. Capital reserve funds are used to accumulate over time that will be used to complete capital projects, acquire major capital assets and support economic development projects.

1. Unassigned Fund Balances will mean funds that remain available for appropriation by the Board of Commissioners after all commitments for future expenditures, required reserves defined by state statutes and previous designations have been calculated. The Town will maintain an unassigned General Fund balance minimum between 20% and 25% of General Fund expenditures.
2. Total fund balance at the close of each fiscal year should be at least 35% of general fund expenditures.
3. In the event that funds are available over and beyond the targeted amount as defined above, those funds may be transferred to capital reserve funds or capital project funds, at the Board of Commissioners discretion.
4. The Board of Commissioners may, from time-to-time, appropriate fund balances that will reduce unassigned fund balances below the 20% – 25% policy for the purposes of a declared fiscal emergency or other such global purpose as to protect the long-term fiscal stability and security of the Town of Wake Forest. In such circumstances, the Town will strive to replenish the unassigned fund balances to the policy level within 36 months from the date of the appropriation.

Original Policy Adopted by Town of Wake Forest - Board of Commissioners – January 15, 2013

Policy update – Adopted by Town of Wake Forest – Board of Commissioners – February 16, 2016

GLOSSARY OF BUDGET TERMS

Ad Valorem Tax. A property tax levied according to assessed value.

Annual Budget. A budget covering a single fiscal year (July 1 – June 30).

Appropriation. The amount budgeted on a yearly basis to cover projected expenditures which have been legally authorized by the Board of Commissioners.

Assessed Valuation. The value real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

Assessment. The process for determining values of real and personal property for taxation purposes.

Budget. A plan covering a fiscal year which projects expenditures for providing services and revenues to finance them. The Town's adopted budget is the official expenditure policy of the Board of Commissioners and an effective tool for managing Town operations. The budget is the legal instrument by which Town funds are appropriated for specific purposes and by which Town government positions are authorized. N.C. General Statutes require the budget to be balanced.

Budget Document. A formal document presented to the Board of Commissioners containing the Town's financial plan for a fiscal year. The budget document is divided into three major parts; the budget message, an operating budget, and a capital improvement budget. The operating budget and capital improvement budget sections contain summaries of expenditures and revenues along with program and project descriptions. The Budget document is presented in two phases, preliminary and final, the latter of which reflects the budget as adopted by the Board of Commissioners.

Town Manager's (Budget) Message. A written overview of the proposed budget from the Town Manager to the Mayor and Board of Commissioners which discusses the major budget items along with the town's present and future financial condition.

Budgetary Control. The control or management of a government in accordance with an approved budget to keep expenditures within the limitations of available appropriations and revenues.

Capital Outlay. Expenditure resulting in the acquisition of or addition to the Town's general fixed assets costing more than \$5,000 and having a useful life of greater than three years.

Capital Improvement Plan. A long-range plan of proposed capital improvement projects, which includes estimated project costs and funding sources, that the Town expects to carry out over a five-year period. The program is updated annually to reassess capital needs and for the preparation of the capital budget.

Contingency. An appropriation of funds to cover unanticipated events that may occur during the fiscal year. Transfers from this line item must be approved by the Board of Commissioners. North Carolina General Statutes require that the contingency amount be limited to 5% of the other appropriations within a respective fund.

Deficit. An excess of expenditures over revenues or expense over income.

Due from Other Funds. An asset (receivable) account used to indicate amounts to be received from another fund for goods sold or services rendered.

Due to Other Funds. A liability (payable) account used to indicate amounts owed to a particular fund by another fund for goods sold or services rendered.

Encumbrances. A financial commitment for services, contracts, or goods which have not, as of yet, been delivered or performed.

Enterprise Fund. A fund which accounts for the operations that are financed from user charges and whose operation resembles a business. The Electric Fund is an example of an enterprise fund.

Expenditures. Outflows of net financial resources. They include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements, and shared revenues.

Fiscal Year. A twelve month period (July 1 through June 30) to which the annual operating budget applies and at the end of which an assessment is made of the Town's financial condition and performance of its operations.

Five Year Financial Forecast. Long range forecast of revenues and expenditures based on historical trends and expected growth patterns for the town over the next five years.

Franchise Tax. A tax levied on the gross sales of Public Utilities. Such taxes were assessed by the state as a function of permitting the respective utilities to do business in the state of North Carolina. Such taxes are shared between the state and its municipalities according to the respective ratio of gross sales within those jurisdictions.

Fund. An accounting entity created to record the financial activity for a selected financial grouping. A fund is set up to carry out a special function or attain certain objectives in accordance with set laws and regulations (i.e. General Fund).

Fund Balance. The difference between fund assets and fund liabilities of the governmental unit.

General Fund. A fund which provides for the accounting of all financial resources except those designated to other funds. Most of the basic government services, such as police, fire, sanitation, or street maintenance are accounted for in this fund.

General Government. A category of expenditures which includes the departments who provide legislative, administrative, policy development, and other central services for the Town.

Grants. A contribution or gift in cash or other assets from another government to be used for a specific purpose. For example, a grant from the State of North Carolina for the construction of a major highway.

Installment-Purchase Agreements. A method of purchasing equipment and vehicles in which payments are spread out over a three to five year period.

Interest and Penalties on Taxes. Uncollected interest and penalties on ad valorem taxes.

Intergovernmental Revenues. Revenues from other governments (state, federal, local) which can be in the form of grants, shared revenues, or entitlements.

Levy. The amount of tax, service charges, and assessments imposed by a government.

Non-operating Expenses. Expenses which are not directly related to the provision of services such as debt service.

Non-operating Revenues. Revenues which are generated from other sources (i.e. interest income) and are not directly related to service activities.

Operating. Those costs, other than personnel and capital outlay, which are necessary to support the day-to-day operation of the Town. Includes items such as telephone charges, utilities, office supplies, advertising, travel, and printing.

Personnel. Expenditures for salaries and fringe benefits including merit increases, social security, retirement, health insurance, life insurance, 401 (k), and other employee benefits.

Powell Bill Funds. Funding from state-shared gasoline tax that is restricted for use on maintenance of local streets and roads.

Performance Objective(s). Overall steps outlining key initiatives and goals of a department during the fiscal year.

Performance Measures. Method to define the amount of work performed or services provided along with the relationship of work performed and resources required to carry out objectives.

Public Safety. Category of expenditures which include the departments whose primary purpose is to protect the lives and property of both the Town's citizens and people who visit and work within the Town.

Public Works. A category of expenditures which includes the departments who maintain the Town's infrastructure, streets, fleet, cemetery and provide solid waste collection.

Reserve. An account designated for a portion of the fund balance which is to be used for a specific purpose.

Revenue. Inflows of financial resources that increase the fund balance account. Expenditure refunds, interfund transfers, and debt proceeds are not considered revenues.

Tax Rate. The amount of tax stated in terms of a unit of the tax base (i.e. \$0.52 per \$100.00 valuation).

Workload Indicators: Significant accomplishments or tasks completed during a given fiscal year by a department.



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